4082. By Mr. MEAD: Petition of New York State Fish, Game, and Forest League, requesting the Federal Government to establish a game refuge in the Tonawanda swamp; to the Committee on Agriculture.

4083. Also, petition of dairymen and milk producers of Erie County, N. Y., in support of tariff on casein; to the Committee on Ways and Means.

4084. By Mr. MENGES: Petition of Adam Keesey and other citizens of York and York County, Pa., urging the early passage of Senate bill 476 and House bill 2562, which provide for increased rates of pension to the men who served in the armed forces of the United States during the Spanish-American War; to the Committee on Pensions.

4085. Also, petition of John A. Almoney and other citizens of York and York County, Pa., urging the early passage of Senate bill 476 and House bill 2562, which provide for increased rates of pension to the men who served in the armed forces of the United States during the Spanish-American War; to the Committee on Pensions.

4086. By Mr. MOORE of Virginia: Petition of Darrie E. Chambers, Charles W. Skinner, E. A. Payne, and others, requesting early consideration of House bill 2562; to the Committee on Pensions.

4087. By Mr. MOUSER: Petition of citizens of Mount Gilead, Ohio, in behalf of House bill 2562 and Senate bill 476; to the Committee on Pensions.

4088. By Mr. O'CONNELL of New York: Petition of William A. Lawton, 609 Central Avenue, Brooklyn, N. Y., and 40 other citizens of Brooklyn, N. Y., favoring the passage of Senate bill 476 and House bill 2562, Spanish War increase pension bill; to the Committee on Pensions.

4089. By Mr. O'CONNOR of Oklahoma: Petition of O. A. Stenier and 78 other citizens of Tulsa, Okla., asking for early enactment of the pension measure providing for increased pensions for Spanish-American veterans; to the Committee on Pensions.

4090. Also, petition of W. M. Parris and 34 other citizens of Strang, Okla., praying for early enactment of House bill 2562, providing for increased pensions of the Spanish-American War veterans; to the Committee on Pensions.

4091. By Mr. HENRY T. RAINEY: Petition signed by Wilbur Boyd and 44 other citizens of Jacksonville, Morgan County, Ill., petitioning for speedy consideration and passage of Senate bill 476 and House bill 2562, providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

4092. By Mr. SANDERS of New York: Petition of 10 citizens of East Avon, N. Y., favoring immediate passage of legislation increasing the rate of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

4093. By Mr. SANDERS of Texas: Petition of Carpenters Local Union No. 213, of Houston, Tex., urging passage of the John C. Box immigration bill; to the Committee on Immigration.

4094. Also, petition of John W. Pate and numerous other citizens of Kaufman and Henderson Counties, Tex., urging favorable action on Senate bill 476 and House bill 2562, providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

4095. By Mr. SELVIG: Petition of P. Becken, president Erskine (Minn.) Chapter of Izaak Walton League of America, composed of 25 members, urging that Congress enact House bill 7994, the "Bald eagle protection bill"; to the Committee on Agriculture.

4096. Also, petition of Prof. Jennings C. Litzenberg, of the University of Minnesota Medical School, urging enactment of House bill 8807, whose purpose is to enlarge and strengthen the United States Public Health Service; to the Committee on Appropriations.

4097. Also, petition of H. C. Holzgrove, A. C. Deike, H. E. Bull, and 50 other residents of Detroit Lakes, Minn., urging the enactment of House bill 2562, providing for increased pension rates for veterans of the Spanish-American War; to the Committee on Pensions.

4098. Also, petition of H. J. Widenhoefer, secretary Fisher (Minn.) Chapter of Izaak Walton League, urging Congress to enact House bill 7994, the "Bald eagle protection bill"; to the Committee on Agriculture.

4099. By Mr. SOMERS of New York: Petition of certain citizens of Brooklyn, N. Y., urging favorable legislation for Spanish-American War veterans; to the Committee on Pensions.

4100. By Mr. SPEAKS: Petition signed by 67 citizens of Columbus, Ohio, urging passage of Senate bill 476 and House bill 2562, providing for increased rates of pension to men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

4101. By Mr. TEMPLE: Resolutions of the Public Service Commission of the Commonwealth of Pennsylvania, protesting against the enactment of Senate bill 6, which proposes the extension of Federal jurisdiction in the regulation of telephone and electric light and power utilities; to the Committee on Interstate and Foreign Commerce.

4102. By Mr. UNDERHILL: Petition of the people of Massachusetts in behalf of legislation for the United Spanish War Veterans; to the Committee on Pensions.

4103. By Mr. UNDERWOOD: Petition of W. E. Hammond and others, of Lancaster, Ohio, asking for legislation providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War; to the Committee on Pensions.

4104. By Mr. WYANT: Petition of 679 members of Crystal Council, No. 300, Junior Order United American Mechanics, of Jeannette, Pa., indorsing bill to place Mexican immigration on quota basis; indorsing bill to make the Star-Spangled Banner official national anthem; and opposing repeal of national-origins clause of immigration law; to the Committee on Immigration and Naturalization.

4105. By Mr. YATES: Memorial of chamber of commerce, Danville, Ill., urging adequate tariff protection against foreign importation on soybeans, amounting to 45 cents a bushel; to the Committee on Ways and Means.

4106. By Mr. YON: Petition of L. E. Rice, F. E. Lehalbe, M. Brash, G. B. Truman, J. H. Kirby, J. G. Bruce, and others of Apalachicola, Franklin County, Fla., favoring increase of pension for Spanish War veterans; to the Committee on Pensions.

SENATE

WEDNESDAY, *February 5, 1930*

(Legislative day of Monday, January 6, 1930)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

RENUMBERING OF SECTIONS AND PARAGRAPHS OF TARIFF BILL

Mr. SMOOT. Mr. President, from the Committee on Finance I am instructed to report back favorably without amendment the concurrent resolution (S. Con. Res. 25), submitted by me on yesterday, and I ask unanimous consent for its immediate consideration.

I will state that in the consideration of the tariff bill and the adoption of various amendments in the form of new paragraphs and subparagraphs, sections and subsections, it has become necessary, of course, to change the numbers and letters of other paragraphs, sections, and subsections of the bill. In order to expedite the work of the conference committee the concurrent resolution provides that after the adoption of the conference report the Clerk of the House shall have authority, in respect of sections, subsections, paragraphs, and subparagraphs, numbers and letters, and cross references thereto, to make such changes as may be necessary or appropriate. The concurrent resolution has been approved by every member of the Committee on Finance on both sides of the Chamber. It will save the conference committee a great deal of work and likewise will save a great deal of unnecessary printing.

Mr. BRATTON. Mr. President, may I ask the Senator from Utah if this is agreeable to all members of the committee?

Mr. SMOOT. It is agreeable to all members of the committee.

The VICE PRESIDENT. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was read, considered, and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That in the consideration of the bill (H. R. 2667) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes, section, subsection, paragraph, and subparagraph numbers and letters, and cross references thereto, inserted or stricken out by the Senate, shall not be treated as amendments of the Senate, nor included in the engrossed amendments of the Senate; and in the enrollment of such bill, after the adoption of the conference report by both Houses, the Clerk of the House is authorized to make, in respect of section, subsection, paragraph, and subparagraph numbers and letters, and cross references thereto, such changes as may be necessary or appropriate.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allen	Fess	Keyes	Shortridge
Ashurst	Fletcher	La Follette	Simmons
Baird	George	McCulloch	Smith
Barkley	Gillett	McKellar	Smoot
Bingham	Glass	McMaster	Steck
Black	Glenn	McNary	Steiwer
Blaine	Goff	Metcalf	Stephens
Blease	Goldsborough	Moses	Sullivan
Borah	Gould	Norbeck	Swanson
Bratton	Greene	Norris	Thomas, Idaho
Brock	Hale	Nye	Thomas, Okla.
Brookhart	Harris	Oddie	Townsend
Broussard	Harrison	Overman	Trammell
Capper	Hatfield	Patterson	Tydings
Caraway	Hawes	Phipps	Vandenberg
Connally	Hebert	Pine	Wagner
Copeland	Heflin	Ransdell	Walsh, Mass.
Couzens	Howell	Robinson, Ind.	Walsh, Mont.
Cutting	Johnson	Robsion, Ky.	Watson
Deneen	Jones	Schall	Wheeler
Dill	Kean	Sheppard	

Mr. TOWNSEND. I desire to announce that my colleague the senior Senator from Delaware [Mr. HASTINGS] is detained from the Senate on account of illness in his family. I ask that this announcement may stand for the day.

Mr. SHEPPARD. I desire to announce the necessary absence of the Senator from Arkansas [Mr. ROBINSON] and the Senator from Pennsylvania [Mr. REED], who are delegates from the United States to the Naval Arms Conference meeting in London, England. Let this announcement stand for the day.

I also wish to announce that the senior Senator from Nevada [Mr. PITTMAN] and the junior Senator from Arizona [Mr. HAYDEN] are necessarily absent from the Senate attending a conference in the West relating to the diversion of the waters of the Colorado River. I wish this announcement to stand for the day.

I also desire to announce that the Senator from Utah [Mr. KING] is necessarily detained from the Senate by illness. I will let this announcement stand for the day.

Mr. NYE. I wish to announce that my colleague [Mr. FRAZIER] is unavoidably absent from the city. I ask that this statement may stand for the day.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

PETITIONS AND MEMORIALS

Mr. THOMAS of Oklahoma presented petitions of sundry citizens of Mangum, Okla., praying for the passage of legislation granting increased pensions to Spanish War veterans, which were ordered to lie on the table.

Mr. WALSH of Massachusetts presented petitions numerously signed by sundry citizens of Boston, Lynn, Northboro, Palmer, and Springfield, all in the State of Massachusetts, praying for the passage of legislation granting increased pensions to Spanish War veterans, which were ordered to lie on the table.

Mr. BLAINE presented a resolution adopted by the Common Council of the city of Milwaukee, Wis., favoring the passage of House Joint Resolution 167, directing the President to proclaim October 11 of each year as General Pulaski's Memorial Day, etc., which was referred to the Committee on the Library.

Mr. ALLEN presented a resolution adopted by the Public Service Commission of the State of Kansas, opposing the passage of the so-called Couzens bill, being the bill (S. 6) to provide for the regulation of the transmission of intelligence by wire or wireless, which was referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by the Public Service Commission of the State of Kansas, favoring the passage of the bill (S. 3042) to amend the interstate commerce act, as amended, to permit common carriers to give free carriage or reduced rates to State commissions exercising jurisdiction over common carriers, which was referred to the Committee on Interstate Commerce.

Mr. BINGHAM presented petitions of sundry citizens of Hartford, West Hartford, New Britain, East Berlin, and Wethersfield, all in the State of Connecticut, praying for the passage of legislation granting increased pensions to Spanish War veterans, which were ordered to lie on the table.

He also presented the petition of John Hay Lodge, No. 61, Knights of Pythias, of Hartford, Conn., praying for the passage of legislation granting increased pensions to Spanish War veterans, which was ordered to lie on the table.

He also presented a resolution adopted by the Hartford section of the Council of Jewish Women, at Hartford, Conn., opposing any change in the existing calendar which would include a blank day or any other device by which the fixed periodicity of the Sabbath would be disarranged, which was referred to the Committee on Foreign Relations.

He also presented the petition of members of the Kaahumanu Society of Hawaii, praying for the largest possible measure of naval reduction at the pending conference in London, which was referred to the Committee on Foreign Relations.

He also presented resolutions of the League of Republican Women of Meriden and the Foreign Missionary Society of the Grace Methodist Episcopal Church, of New Haven, in the State of Connecticut, favoring the ratification of the proposed World Court protocol, which were referred to the Committee on Foreign Relations.

He also presented resolutions adopted by the Morning Music Club, the Outdoor Circle, St. Andrews Guild and Auxiliary, and the Catholic Woman's Aid Society, the Free Kindergarten and Childrens' Aid Association, the Woman's Christian Temperance Union, the Daughters and Sons of Hawaiian Warriors, officers and members of the Kapiolani Maternity Home, the Women's International League for Peace and Freedom, the Maui Professional Women's Club, the Maui Women's Club, the League of Women Voters of the Territory of Hawaii, the Young Women's Christian Association, and the Kaahumanu Society of Hawaii and Maui, all of the Territory of Hawaii, favoring the prompt ratification of the proposed World Court protocol, which were referred to the Committee on Foreign Relations.

LIBERALIZATION OF CONTEMPT OF COURT PROCESS

Mr. VANDENBERG. Mr. President, the New York Press Association has adopted a resolution urging Congress to approve Senate bill 1726, now pending in the Judiciary Committee, and proposing to liberalize the contempt of court process. I ask that the resolution be printed in the RECORD and referred to the Judiciary Committee.

There being no objection, the resolution was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

Resolution

Whereas increasing instances are becoming matters of record in which judges have acted both as challenger and judge in dealing with cases of indirect contempt, affecting newspaper workers and their presentation of editorial comment and news bearing upon the conduct of those courts of justice and the judges presiding over them; and

Whereas we regard the freedom of the press essential to preservation of the best in government of Nation, State, and minor civic divisions, as well as to maintain the honored traditions of the press in the United States: Be it

Resolved, That the New York Press Association, assembled in its seventy-eighth annual convention in Syracuse, N. Y., goes on record indorsing the bill of United States Senator ARTHUR H. VANDENBERG, of Michigan, which would assure impartial tribunals in litigation of this nature.

E. D. TOBEY,
FRED W. BLAUVELT,
R. JOHN SPOONER,
Committee on Resolutions.

Dated, Syracuse, N. Y., February 1, 1930.
Passed unanimously.
Certified from the records.
[SEAL.] JAY W. SHAW, *Secretary.*

EXECUTIVE REPORTS

Mr. GEORGE, as in open executive session, from the Committee on Finance, reported the nomination of Annabel Matthews, of Gainesville, Ga., to be a member of the United States Board of Tax Appeals for the unexpired term of 10 years ending June 1, 1936, in place of William R. Green, jr., resigned, which was ordered to be placed on the Executive Calendar.

Mr. BORAH, as in open executive session, from the Committee on Foreign Relations, reported the nomination of Claude H. Hall, jr., of Maryland, now a Foreign Service officer, unclassified, and a vice consul of career, to be also a secretary in the Diplomatic Service of the United States of America, which was ordered to be placed on the Executive Calendar.

He also, as in open executive session, from the same committee, reported a convention, which was ordered to be placed on the Executive Calendar.

Mr. PHIPPS, as in open executive session, from the Committee on Post Offices and Post Roads, reported sundry post-office nominations, which were ordered to be placed on the Executive Calendar.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WALSH of Massachusetts:

A bill (S. 3437) for the relief of Arthur B. Giroux; to the Committee on Military Affairs.

By Mr. McNARY:

A bill (S. 3438) authorizing an appropriation to aid in the erection of a statue of Theodore Roosevelt on Battle Rock, in Port Orford Harbor, Oreg.; to the Committee on the Library.

By Mr. THOMAS of Oklahoma:

A bill (S. 3439) granting a pension to Louisa C. Allen Bonderer (with accompanying papers); to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 3440) authorizing the exchange of 663 square feet of property acquired for the park system for 2,436 square feet of neighboring property, all in the Klingle Ford Valley, for addition to the park system of the National Capital; and

A bill (S. 3441) to effect the consolidation of the Turkey Thicket Playground, Recreation, and Athletic Field; to the Committee on the District of Columbia.

By Mr. SCHALL:

A bill (S. 3442) to amend the third proviso of section 202 of the World War veterans' act, 1924, as amended; to the Committee on Finance.

By Mr. PHIPPS:

A bill (S. 3443) granting a pension to Alfred Charles Plaude (with accompanying papers); to the Committee on Pensions.

By Mr. NORBECK:

A bill (S. 3444) to amend the Federal farm loan act with respect to receiverships of joint-stock land banks, and for other purposes; to the Committee on Banking and Currency.

A bill (S. 3445) to amend the United States mining laws applicable to the national forests within the State of South Dakota; to the Committee on Public Lands and Surveys.

By Mr. VANDENBERG:

A joint resolution (S. J. Res. 138) directing the President to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Library.

AMENDMENT TO THE TARIFF BILL

Mr. ODDIE submitted an amendment intended to be proposed by him to House bill 2667, the tariff revision bill, which was ordered to lie on the table, and to be printed.

REPORTS OF PUBLIC-UTILITY COMPANIES OF THE DISTRICT OF COLUMBIA (S. DOC. NO. 80)

Mr. CAPPER. Mr. President, I have here the annual reports of the public-utility companies in the District of Columbia, and, in accordance with the usual custom, I submit an order that they be printed as a Senate document.

There being no objection, the order was agreed to, as follows:

Ordered, That the annual reports of the following-named public-utility companies in the District of Columbia, for the year ended December 31, 1929, heretofore transmitted to the Senate, be printed as a Senate document: Capital Traction Co., Chesapeake & Potomac Telephone Co., Georgetown Barge, Dock, Elevator & Railway Co., Georgetown Gas Light Co., Potomac Electric Power Co., Washington Gas Light Co., Washington Interurban Railroad Co., and Washington Railway & Electric Co.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 322. An act for the relief of Kenneth A. Rotharmel;
H. R. 323. An act for the relief of Clara Thurnes;
H. R. 389. An act for the relief of Kenneth M. Orr;
H. R. 414. An act for the relief of Angelo Cerri;
H. R. 472. An act for the relief of Thomas T. Gessler;
H. R. 545. An act for the relief of Arthur N. Ashmore;
H. R. 560. An act for the relief of Charles Beretta, Isidore J. Proulx, and John J. West;
H. R. 563. An act for the relief of Frank Yarlott;
H. R. 564. An act for the relief of Josephine Laforge (Sage Woman);
H. R. 565. An act for the relief of Clarence Stevens;
H. R. 597. An act for the relief of M. L. Willis;
H. R. 745. An act for the relief of B. Frank Shetter;
H. R. 864. An act for the relief of W. P. Thompson;
H. R. 910. An act for the relief of William H. Johns;
H. R. 940. An act for the relief of James P. Hamill;
H. R. 1110. An act for the relief of heirs of Warren C. Vesta;
H. R. 1174. An act for the relief of A. N. Worstell;
H. R. 1251. An act for the relief of C. L. Beardsley;
H. R. 1312. An act for the relief of J. W. Zornes;
H. R. 1481. An act for the relief of James C. Fritzen;
H. R. 1494. An act for the relief of Maj. O. S. McCleary, United States Army, retired;
H. R. 1510. An act for the relief of Thomas T. Grimsley;
H. R. 1559. An act for the relief of John T. Painter;
H. R. 1794. An act to authorize the payment of an indemnity to the owners of the British steamship *Kyleakin* for damages sustained as a result of a collision between that vessel and the U. S. S. *William O'Brien;*
H. R. 2011. An act to authorize the Secretary of War to settle the claims of the owners of the French steamships *P. L. M. 4* and *P. L. M. 7* for damages sustained as the result of collisions between such vessels and the U. S. S. *Henderson* and *Lake Charlotte*, and to settle the claim of the United States against the owners of the French steamship *P. L. M. 7* for damages sustained by the U. S. S. *Pennsylvanian* in a collision with the *P. L. M. 7;*
H. R. 2047. An act for the relief of R. P. Biddle;
H. R. 2983. An act for the relief of Samuel F. Tait;
H. R. 3097. An act for the relief of Capt. George G. Seibels, Supply Corps, United States Navy;
H. R. 3098. An act for the relief of Capt. Chester G. Mayo, Supply Corps, United States Navy;
H. R. 3100. An act for the relief of Capt. P. J. Willett, Supply Corps, United States Navy;
H. R. 3101. An act for the relief of Lieut. Arthur W. Babcock, Supply Corps, United States Navy;
H. R. 3118. An act for the relief of the Marshall State Bank;
H. R. 5901. An act for the relief of the estate of Martin Preston, deceased;
H. R. 6259. An act for the relief of Alma Rawson;
H. R. 6414. An act authorizing the Court of Claims of the United States to hear and determine the claim of the city of Park Place, heretofore an independent municipality, but now a part of the city of Houston, Tex.;
H. R. 6651. An act for the relief of John Golombiewski;
H. R. 6760. An act for the relief of Clara E. Wight;
H. R. 6932. An act to reimburse the estate of Mary Agnes Roden;
H. R. 7069. An act for the relief of the heirs of Viktor Pettersson;
H. R. 7356. An act for the relief of the American Foreign Trade Corporation and Fils d'Aslan Fresco;
H. R. 7855. An act for the relief of Carl Stanley Sloan, minor Flathead allottee;
H. R. 7964. An act to authorize the issuance of a fee patent for block 23 within the town of Lac du Flambeau, Wis., in favor of the local public-school authorities;
H. R. 8242. An act for the relief of George W. McPherson; and
H. R. 8304. An act for the relief of Ida E. Godfrey and others.

MAKING CONSTITUTIONAL AMENDMENTS

Mr. WALSH of Massachusetts. Mr. President, I ask unanimous consent to print in the RECORD an article of timely interest, with copious historical references, published in the Saturday Evening Post, entitled "Making Amendments," written by the senior Senator from Arizona [Mr. ASHURST].

The article discusses three proposed amendments, to wit:

First. To abolish the short sessions of Congress.

Second. To ratify amendments by vote of the people instead of by the legislatures.

Third. To limit the time within which amendments may be ratified.

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

[From the Saturday Evening Post, April 25, 1929]

MAKING AMENDMENTS

By HENRY F. ASHURST, United States Senator from Arizona

The Constitution of the United States—Article II, section 1—ordains that the President and Vice President shall hold office for the term of four years, but does not provide when the term shall commence. The only recognition of the 4th of March succeeding the day of a Presidential election as the day of the commencement of the terms of the President and the Vice President is the provision in the twelfth amendment to the Constitution, effective September 25, 1804, that—

"If the House of Representatives shall not choose a President, whenever the right of choice shall devolve upon them, before the 4th day of March next following, then the Vice President shall act as President, as in the case of the death or other constitutional disability of the President."

This would probably be construed to be a provision that the term of the President expires on the 4th of March after a presidential election—that a vacancy would then exist—in which event the Vice President would succeed to the office.

The time when the presidential electors shall be elected and the date on which they shall meet and give their votes is, by Article II, section

1, of the Constitution, left to the discretion of Congress, with the restriction that the day of voting shall be the same throughout the United States. An act was passed February 3, 1887, requiring them to meet and give their votes on the second Monday in January next following their appointment, at such place in each State as the legislature thereof shall direct, which votes, duly certified to be delivered to the President of the Senate, shall be canvassed by Congress, in joint session, on the second Wednesday in February thereafter.

The Constitution, while providing that Representatives shall hold their offices for two years—Article I, section 2—and Senators for six years—Article I, section 3—does not provide when the terms shall commence.

The commencement of the terms of the first President and Vice President, and of the Senators and Representatives composing the First Congress, was fixed by a resolution of Congress, adopted September 13, 1788, providing "that the first Wednesday in March next"—which happened to be the 4th day of March—"be the time for commencing the proceedings under the Constitution."

Congress has provided—act of March 1, 1792, Revised Statutes, section 152—that the terms of the President and the Vice President shall commence on the 4th day of March next succeeding the day on which the votes of the electors have been given, but there seems to be no statute enacted since the adoption of the Constitution fixing the commencement of the terms of Senators and Representatives.

Under the present law the new Congress does not convene in regular session until 13 months after the election of the Representatives. There was reason for such a provision at the time of the formation of our Federal Government, as it then took about three months to ascertain the result of elections and to reach the Capital from remote parts of the country. But now the most distant States are within a few days' travel of Washington.

Senators heretofore have been elected by the legislatures of the States in January, sometimes not until February or March. But since the adoption of the seventeenth amendment to the Constitution, by which Senators are elected by the people, usually at the November elections, it becomes opportune for Congress to convene in January following. The convening of Congress on the first Monday of December, as at present, is inopportune, as adjournment for the Christmas holidays is always taken and many Members go home, which precludes any real work until January.

Congress should, at the earliest practicable date, enact within the scope of its powers under the Constitution the principles of the majority as expressed in the election of each Congress. That is why the Constitution requires the election of a new House of Representatives every two years. If it be not to reflect the sentiment of the people these frequent elections have no meaning or purpose. Any evasion of this meaning is subversive of the fundamental principle of our Government, that the majority shall rule. No other nation has its legislative body convene so remotely after the expression of the people upon governmental questions.

During the campaign preceding a congressional election the questions that divide the political parties are discussed for the purpose of determining the policy of the Government and of crystallizing the sentiments of the majority into legislation. It seems to be trifling with the rights of the people when their mandates can not be obeyed within a reasonable time. It is unfair to an administration that the legislation which it thinks essential to the prosperity of the country should be so long deferred. It is true an extraordinary session may be called early in March, but such sessions are limited generally to one or two subjects, which of necessity wastes the time of each House, waiting for the other to consider and pass the measures.

At the present time the second regular session does not convene until after the election of the succeeding Congress. As an election often changes the political complexion of a Congress, under the present law we frequently have the injustice of a Congress that has been disapproved by the people enacting laws for the people opposed to their last expression. Such a condition does violence to the rights of the majority. A Member of the House of Representatives barely gets started in his work when the time arrives for renomination. He has accomplished nothing, and hence has made no record upon which to go before his party or his people. This is an injustice both to the Members and to the people. The record of a Representative should be completed before he asks an indorsement.

Under the present system a contest over a seat in the House of Representatives is seldom decided until more than half the term, and in many instances until a period of 22 months of the term has expired. For all that time the occupant of the seat draws the salary, and if his opponent be seated he also draws the salary for the full term; thus the Government pays twice for the representation from that district. But that is not the worst feature of the situation; during all that time the district is being misrepresented, at least politically, in Congress.

An amendment should be adopted eliminating the short session of Congress. The short session is not a good institution. It has been the source of much criticism and ought to be abandoned. No vital governmental questions can be considered during a short session.

The President and the Vice President should enter upon the performance of their respective duties as soon as the new Congress counts the electoral votes. It is the old Congress which now counts the electoral votes. It is dangerous to permit a defeated party to retain control of the machinery by which such important officers are declared elected.

JANUARY WEATHER

If no candidate for President receives a majority of the electoral votes, the Constitution provides that the House of Representatives shall elect the President, each State having one vote. At the present time it is the old House of Representatives that elects the President under such contingency and thereby it becomes possible for a political party repudiated by the people to elect a President. Under the present provision of the Constitution, in the event the House fails to choose a President before the 4th of March, then the Vice President becomes President for four years. This affords a temptation by mere delay to defeat the will of the people, and if it is ever exercised it will lead to grave consequences.

January weather might be inclement for an inaugural parade, but that is a reason too insignificant to constitute a serious argument against a constitutional amendment which would convene the new Congress in the January following their election. Nearly all the governors of States are inaugurated in January. The pomp and ceremony which usually attend the coronations of monarchs are at least not necessary to a republic.

In my opinion, sound public policy requires that each amendment to the Constitution hereafter submitted should contain a limitation of the time within which the States may ratify the particular amendment, as was done in the eighteenth amendment by the following provision:

"SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress."

It is startling to reflect upon the complexities that have come and that may come in the future by a continued failure to set a time limit within which a proposed amendment may be ratified.

AMENDMENTS PENDING

Five different amendments proposed by the Congress are now pending before the States for their action. These amendments are as follows:

One proposed September 29, 1789, 135 years ago, relating to enumeration and representation:

"ARTICLE I. After the first enumeration required by the first article of the Constitution there shall be 1 Representative for every 30,000 until the number shall amount to 100, after which the proportion shall be so regulated by Congress that there shall be not less than 100 Representatives, nor less than 1 Representative for every 40,000 persons, until the number of Representatives shall amount to 200, after which the proportion shall be so regulated by Congress that there shall not be less than 200 Representatives nor more than 1 Representative for every 50,000 persons."

Another, proposed September 29, 1789, 135 years ago, relating to compensation of Members of Congress:

"ARTICLE II. No law varying the compensation for the services of the Senators and Representatives shall take effect until an election of Representatives shall have intervened."

Another, proposed January 12, 1810, 115 years ago, to prohibit citizens of the United States from accepting presents, pensions, or titles from princes or from foreign powers:

"If any citizen of the United States shall accept, claim, receive, or retain any title of nobility or honor, or shall, without the consent of Congress, accept and retain any present, pension, office, or emolument of any kind whatever from any emperor, king, prince, or foreign power, such person shall cease to be a citizen of the United States and shall be incapable of holding any office of trust or profit under them, or either of them."

Another, proposed March 2, 1861, 64 years ago, known as the Corwin amendment, prohibiting Congress from interfering with slavery within the States:

"No amendment shall be made to the Constitution which will authorize or give to Congress the power to abolish or interfere, within any State, with the domestic institutions thereof, including that of persons held to labor or service by the laws of said State." (12 Stat. 251.)

And still another, proposed June 2, 1924, the child labor amendment:

"SECTION 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

"SEC. 2. The power of the several States is unimpaired by this article except that the operation of State laws shall be suspended to the extent necessary to give effect to legislation enacted by the Congress."

On September 29, 1789, 12 constitutional amendments were proposed by the First Congress. The requisite number of States ratified proposed articles Nos. 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12 within two years and three months, while Nos. 1 and 2, although proposed 135 years

ago, have not, according to the latest available returns, received favorable action by the requisite number of States and are yet before the American people or the States; rather, have been for 135 years, and are now subject to ratification or rejection by the States. After those two proposed amendments, to wit: Nos. 1 and 2, had been in nubibus—in the clouds—for 84 years, the Ohio State Senate in 1873, in response to a tide of indignation that swept over the land in opposition to the so-called back-salary grab, resurrected proposed amendment No. 2 and passed a resolution of ratification through the State senate. No criticism can be visited upon the Ohio Legislature that attempted to ratify the amendment proposed in 1789; and if the amendment had been freshly proposed by Congress at the time of the back-salary grab, instead of having been drawn forth from musty tomes, where it had so long lain idle, stale, and dormant, other States doubtless would have ratified it during the period from 1873 to 1881.

CONTEMPORANEOUS ACTION

Thus it would seem that a period of 135 years within which a State may act is altogether too long. We should not hand down to posterity a conglomerate mass of amendments floating around in a nebulous haze, which a State here may resurrect and ratify and a State there may galvanize and ratify.

We ought to have homogeneous, steady, united exertion, and certainly we should have contemporaneous action with reference to proposed amendments. Judgment on the case should be rendered within the lifetime of those interested in bringing about the change in our fundamental law. Final action should be had while the discussions and arguments are within the remembrance of those who are called upon to act.

The amendment proposed on January 12, 1810, was submitted to the States under peculiar auspices.

It is probable that the Congress which submitted that amendment believed that when officials accept presents of value they dissolve the pearl of independence in the vinegar of obligation.

Unfortunately, the annals of Congress and contemporary newspapers do not give any of the debate upon this interesting proposition. The only light thrown upon the subject by the annals is the remarks of Mr. Macon, who said "he considered the vote on this question as deciding whether or not we were to have members of the Legion of Honor in this country."

What event connected with our diplomatic or political history suggested the need of such an amendment is not now apparent, but it is possible that the presence of Jerome Bonaparte in this country a few years previous, and his marriage to a Maryland lady, may have suggested this amendment.

An article in Niles' Register, volume 72, page 166, written many years after this event, refers to an amendment having been adopted to prevent any but native-born citizens from being President of the United States. This is, of course, a mistake, as the Constitution in its original form contained such a provision; but it may be possible that the circumstances referred to by the writer in Niles' relate to the passage through Congress of this amendment. The article referred to maintains that at the time Jerome Bonaparte was in this country the Federalist Party, as a political trick, affecting to apprehend that Jerome might find his way to the Presidency through "French influence," proposed the amendment. The Federalists thought the Democrats would oppose the amendment as unnecessary, which would thus appear to the public as a further proof of their subserviency to French influence. The Democrats, to avoid this imputation, concluded to carry the amendment.

"It can do no harm" was what reconciled all to the amendment.

That amendment was submitted by Congress 115 years ago, and it was ratified within two years by Maryland, Kentucky, Ohio, Delaware, Pennsylvania, New Jersey, Vermont, Tennessee, Georgia, North Carolina, Massachusetts, and New Hampshire. It was rejected by two or three of the States. At one period of our national life the histories and the public men announced that it was a part of our organic law, and this error arose because in the early days of our Government the Secretary of State did not send messages to Congress announcing ratification and did not promulgate any notice as to when an amendment became a part of the Constitution. I have caused the journals, records, and files in the Department of State to be searched, and there may not be found any notice of any proclamation of the ratification of the first 10 amendments to the Constitution. The States assumed—it was not an unwarranted or violent assumption—that when the requisite number of States had ratified an amendment it was then and there a part of our organic law.

On March 2, 1861, the Corwin amendment, quoted above, was proposed by Congress.

There are not a hundred persons in the United States who know that such an amendment is now pending before the various States of the Union for their ratification. The amendment was ratified by the State of Ohio and by the State of Maryland through their legislatures, and was attempted to be ratified by the State of Illinois in 1862 by a convention.

Thus we perceive that a system which permits of no limitation as to the time when an amendment may be voted upon by the State legislatures is not fair to posterity or to the present generation. It keeps historians, publishers, and annalists, as well as the general public, constantly in doubt.

Having searched closely as to whether there is in the Constitution itself any expressed or implied limitation of time as to when an amendment may be adopted, I am driven irresistibly to the conclusion, with all due deference to the opinion in Dillon *v.* Gloss (256 U. S. Repts. p. 368) that an amendment to the Constitution once having been duly proposed, although proposed as remotely as September 29, 1789, may not be recalled even by the unanimous vote of both Houses, if the Congress wished the same recalled, because the power to submit an amendment is specifically pointed out; but no power is given to recall the same, and silence is negation.

I am of opinion that a State which rejects a proposed amendment may, of course, at any time thereafter ratify the same, and a State which adopts or ratifies a proposed amendment may withdraw its ratification, provided it withdraws such ratification before the required number of States shall have ratified.

SIXTY YEARS OF IMMOBILITY

Neither the legislatures of the various States nor conventions therein should be eligible to ratify proposed amendments to the Federal Constitution. The qualified electors themselves should be the only authority eligible to ratify proposed amendments to the Constitution of the United States.

Amendments have come by amendment epochs. For all practical purposes the first 10 amendments—the Bill of Rights—will be herein considered as a part of the original Constitution. The eleventh and twelfth amendments were adopted in the 10-year period between 1794 and 1804; the eleventh was brought about by the decision of the Supreme Court in the case of Chisholm *v.* Georgia (2 Dallas, 419), which held that a State could be sued by an individual citizen of another State; the twelfth was brought about by the tie in the electoral college between Thomas Jefferson and Aaron Burr. Call that the first amendment epoch. Then, notwithstanding that many score of amendments were introduced in Congress and two were submitted between 1804 and 1864, no amendment was adopted; thus there was a 60-year period of immobility with respect to amending our Federal Constitution.

Then came the second amendment epoch, which began in 1865 and lasted until 1870. In that 5-year period the thirteenth, fourteenth, and fifteenth amendments were proposed and ratified.

Then came over 40 years of immobility; and then came the sixteenth, seventeenth, eighteenth, nad nineteenth amendments—the third amendment epoch, 1909 to this date—showing that these amendments move in cycles.

The Federal Constitution conserves and protects all that Americans hold precious; it should not be changed by legislative caucus.

There is not a State in the Federal Union whose constitution may be amended by the State legislature. The State of Delaware is an apparent but not a real exception, as Delaware requires that an amendment to the State constitution must be proposed by at least two-thirds of one legislature; then there must be notice to the electors for a certain period before the next election, so that if they desire they may express their will at the polls upon the proposition; then the amendment must be ratified by a second legislature by a two-thirds vote, which gives the people an indirect vote. The various State constitutions may be amended only by the electorate of the State. How archaic, therefore, it is to deny the electorate an opportunity to express itself upon proposed changes in our fundamental law.

If the consent of the voters be required to alter and amend a State constitution, a fortiori the vote of the people should be required to change the Federal Constitution.

It is vital to our American system that the voter should have an opportunity to say at the ballot box under what form of government he desires to live.

If we are not willing that the State legislatures should choose United States Senators, for a much stronger reason the legislatures should not change our fundamental law.

Every argument in favor of the election of Senators by a direct vote of the people is a stronger argument in favor of consulting the people on constitutional amendments.

I favored the amendments providing for the income tax, direct election of Senator, prohibition, and woman suffrage. I believe they were wise amendments and that they were a response to the deliberate judgment and progressive thought of a vast majority of our countrymen; indeed, I believe those amendments were demanded by the people and were not forced upon the people. If a referendum to the people on the prohibition and woman suffrage amendments could have been had, each amendment would have been ratified by the electors.

According to the data of the year 1919, the aggregate membership of the legislatures of the States was 7,403 members.

A mere majority of the membership of the legislatures in three-fourths of the several States, plus two-thirds of the 531 Members of Congress, may and do propose and ratify amendments to the Federal Constitution.

Thus about 3,000 men could change the structure of our Government to any form their fancy suggested or the lobbyist dictated, and the

people would have no opportunity to defeat or reject the proposed amendments.

Our American system and public right should not be at the disposal of legislative caucuses but should be guarded by the free ballot of all the citizens.

Constitutional amendment should be ratified by the qualified electors in each State and not by the legislatures of the States.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 563. An act for the relief of Frank Yarlott;

H. R. 564. An act for the relief of Josephine Laforge (Sage Woman);

H. R. 565. An act for the relief of Clarence Stevens;

H. R. 7855. An act for the relief of Carl Stanley Sloan, minor Flathead allottee; and

H. R. 7964. An act to authorize the issuance of a fee patent for block 23 within the town of Lac du Flambeau, Wis., in favor of the local public-school authorities; to the Committee on Indian Affairs.

H. R. 389. An act for the relief of Kenneth M. Orr;

H. R. 472. An act for the relief of Thomas T. Gessler;

H. R. 3097. An act for the relief of Capt. George G. Seibels, Supply Corps, United States Navy;

H. R. 3098. An act for the relief of Capt. Chester G. Mayo, Supply Corps, United States Navy;

H. R. 3100. An act for the relief of Capt. P. J. Willett, Supply Corps, United States Navy; and

H. R. 3101. An act for the relief of Lieut. Arthur W. Babcock, Supply Corps, United States Navy; to the Committee on Naval Affairs.

H. R. 322. An act for the relief of Kenneth A. Rotharmel;

H. R. 323. An act for the relief of Clara Thurnes;

H. R. 414. An act for the relief of Angelo Cerri;

H. R. 545. An act for the relief of Arthur N. Ashmore;

H. R. 560. An act for the relief of Charles Beretta, Isidore J. Proulx, and John J. West;

H. R. 597. An act for the relief of M. L. Willis;

H. R. 745. An act for the relief of B. Frank Shetter;

H. R. 864. An act for the relief of W. P. Thompson;

H. R. 910. An act for the relief of William H. Johns;

H. R. 940. An act for the relief of James P. Hamill;

H. R. 1110. An act for the relief of heirs of Warren C. Vesta;

H. R. 1174. An act for the relief of A. N. Worstell;

H. R. 1251. An act for the relief of C. L. Beardsley;

H. R. 1312. An act for the relief of J. W. Zornes;

H. R. 1481. An act for the relief of James C. Fritzen;

H. R. 1494. An act for the relief of Maj. O. S. McCleary, United States Army, retired;

H. R. 1510. An act for the relief of Thomas T. Grimsley;

H. R. 1559. An act for the relief of John T. Painter;

H. R. 1794. An act to authorize the payment of an indemnity to the owners of the British steamship *Kyleakin* for damages sustained as a result of a collision between that vessel and the United States ship *William O'Brien*;

H. R. 2011. An act to authorize the Secretary of War to settle the claims of the owners of the French steamships *P. L. M. 4* and *P. L. M. 7* for damages sustained as the result of collisions between such vessels and the U. S. S. *Henderson* and *Lake Charlotte*, and to settle the claim of the United States against the owners of the French steamship *P. L. M. 7* for damages sustained by the U. S. S. *Pennsylvanian* in a collision with the *P. L. M. 7*;

H. R. 2047. An act for the relief of R. P. Biddle;

H. R. 2983. An act for the relief of Samuel F. Tait;

H. R. 3118. An act for the relief of the Marshall State Bank;

H. R. 5901. An act for the relief of the estate of Martin Preston, deceased;

H. R. 6259. An act for the relief of Alma Rawson;

H. R. 6414. An act authorizing the Court of Claims of the United States to hear and determine the claim of the city of Park Place, heretofore an independent municipality but now a part of the city of Houston, Tex.;

H. R. 6651. An act for the relief of John Golombiewski;

H. R. 6760. An act for the relief of Clara E. Wight;

H. R. 6932. An act to reimburse the estate of Mary Agnes Roden;

H. R. 7069. An act for the relief of the heirs of Viktor Pettersson;

H. R. 7356. An act for the relief of the American Foreign Trade Corporation and Fils d'Aslan Fresco;

H. R. 8242. An act for the relief of George W. McPherson; and

H. R. 8304. An act for the relief of Ida E. Godfrey and others; to the Committee on Claims.

LOBBY INVESTIGATION

Mr. ROBINSON of Indiana. Mr. President, by direction of the subcommittee of the Committee on the Judiciary, known as the lobby committee, I desire to submit a report. Before sending the report to the desk I wish to make some observations.

The report has to do with those persons and organizations who are interested primarily in foreign valuations and in lower rates of duty. Perhaps the most prominent organization of this kind is the National Council of American Importers and Traders (Inc.). This organization, through its operatives, has been very active during the present tariff revision. It was also active in 1922 when the Fordney-McCumber bill was under consideration. Numerous individuals have represented the organization in Washington during the past year, Mr. President, large sums of money have been expended, and practically no method of lobbying has been overlooked. It was organized on March 12, 1921, and has been in existence continually since that time.

Mr. President, I have no doubt in my own mind, from the evidence adduced before the lobby committee, that this organization was originally formed in order to bring influence to bear on tariff legislation, and always for lower duties and for foreign valuations. The organization maintained a lobby throughout the session of 1922 for that purpose. It seems to have been particularly successful in its efforts to employ men who have been connected with the customs and other branches of the Government service. It is amazing to note the number of men who have been lobbying here in the interest of lower tariff duties for the National Council of American Importers and Traders who were at one time or another employed by the Government.

This organization kept a budget, and it may be interesting to the Senate to note that from January 1 to November 25, less than a year, in 1929, the total receipts were $48,889.20, with total disbursements of $44,045.30. Testimony before the committee showed that from January 1 to November 29, 1929, $18,839.30 were spent deliberately and for the avowed purpose of influencing tariff legislation.

In May, 1929, the president of this organization, Mr. Peter Fletcher, wrote a letter to the members of the council which is very enlightening on methods pursued by the council in its attempt to influence legislation. I read from a form letter which was sent to the membership of the organization:

DEAR MR. ———: The present tariff situation merits this personal letter, in which I respectfully request your interest.

The National Council of American Importers & Traders (Inc.) has been continuously engaged this year in presenting the views of the American importer to the authorities in Washington, as well as to the general public, as effectively as possible. This has been done through the preparation and printing of suitable briefs which have been distributed, not only to the membership, but to Members of both Houses of Congress and to commercial bodies and others interested throughout the United States. The national council has been represented before the Ways and Means Committee and the Senate Finance Committee by members of our customs committee.

Considerable success has resulted from the National Council of American Importers & Traders efforts. We must not imperil our activities by stopping this work now, but if we do not raise additional funds promptly the work must cease. The lack of a few thousand dollars should not be permitted to stand in the way.

The annual dues which suffice to carry on the routine work of the council do not and were not intended to cover these unsual expenses, which are unavoidable in a tariff year. The character of our work speaks for itself. The outcome of the fight is vital to all importers, and I therefore wish to appeal to you personally to send your check to the national council for at least $100.

Very truly yours,

———— ————, *President.*

A similar letter went out in October of last year.

According to the evidence, Mr. President, members of this organization were assessed for lobby activities in accordance with what officials of the council thought they were able to pay, and were divided into two groups, one paying $100 and one paying $250. Good results were considered to be obtained when 50 per cent of this amount was secured. An excerpt from another statement reads as follows:

All our future depends upon it, and our past activities will be a failure unless you contribute now $2,000.

That was brought out during the course of the hearing by questions asked by the junior Senator from Arkansas [Mr. CARAWAY].

Mr. President, George C. Davis was at one time employed by the Government as an examiner of merchandise at the port of Chicago. Mr. Bevans was formerly examiner and special agent

for the Treasury Department. Mr. Frank J. Nolan, a representative of the importers of woolen and worsted goods, was formerly employed by the Government as an examiner of woolen and worsted imports at the port of New York. Mr. David Walker was once employed by the Government. Otto Fix was formerly examiner of cotton goods at the port of New York, and later special agent and assistant to Mr. Davis in the customs information bureau. He was an expert in the tariff revision of 1922. Mr. Charles F. Ruotti was formerly examiner of laces and embroideries at the port of New York.

I mention these as some of the operatives of the National Council of Importers and Traders who were lobbying here during the past year, and some of whom were lobbying in 1922 for lower duties and for foreign valuations, who were at one time connected with the Customs Service or some other branch of the Government. Apparently this organization endeavored especially to secure agents of that kind for their lobbying activities.

Mr. Philip Le Boutillier was chairman of the publicity committee of the national council. He executed for the council a contract with the Phoenix Publicity Bureau, which for several months conducted a line of publicity propaganda for the importers of the country, the cost of which ran up into large figures.

This propaganda embraced practically all those lines and branches known to lobbying activities generally. Mr. President, it is interesting to note some of the methods this publicity bureau undertook to pursue in its lobbying activity:

The basis of this campaign would be to plan a direct news and feature articles in the newspapers to educate the consumer and general public so that citizens will know how much more they will have to pay for certain specific articles if the proposed tariff schedules are adopted by Congress.

The plan of campaign was as follows:

The Phoenix Bureau would organize a publicity campaign covering 800 of the largest morning and evening papers of the country. The material, data, statistics, facts of all kinds collected by the National Council of American Importers and Traders would be used as the basis for carefully written feature articles, news stories, and editorials. Our plan would be to reach as many different departments of the newspapers as possible.

Interviews: The bureau would get interviews from leading jurists, economists, merchants, legislators, stylists, etc., getting their expert opinion on the evils to the American consumer of the proposed new tariff.

Motion pictures: Over a period of three or four months' campaign it would be possible for us to plan and build up a news event which would be important enough to put into the news reels at one time during the publicity campaign. It takes a great deal of time and a good deal of ingenuity and a wide acquaintance with cameramen to do this, but the bureau in the past has been very successful with this particular branch of publicity, and if the organization wanted it in this case it could be arranged so that there would be no extra charge for a flash on the news reels which would be worth many hundreds of dollars if the organization tried to buy the space.

General publicity plan: A concentrated effort would be made to reach a circulation of not less than 40,000,000 over a period of three or four months. The chief means of doing this would be the newspapers of the country. We would build up a special list of newspapers and also work with the Associated Press and the United Press in an intensive campaign. An effort will be made to reach the large summer resorts where people have more leisure during the summer months to read and digest their home-town newspapers. We could also help with valuable suggestions as to the placing of speakers on programs of women's club meetings in October, when the club season starts, if this seems practicable.

Costs: The bureau's fees for directing and planning such a campaign would be $800 per month for the period of the service. This fee includes the services of writers necessary, clerical work, and all costs of preparing and distributing newspaper copy. All traveling expenses, cost of stereotyped material, photographs, and messengers are not included in the above-mentioned fee.

Respectfully submitted.

PHOENIX NEWS PUBLICITY BUREAU (INC.),
RUTH BYERS HEED, *President.*

Mr. President, that agreement was subsequently ratified and the outlined plan adopted by the Council of American Importers and Traders. Speakers were furnished to address meetings not openly as propagandists or lobbyists but apparently in a disinterested capacity when, as a matter of fact, they were actually in the employ of the National Council of Importers and Traders.

It is significant, too, that this plan of campaign was not abandoned until about the time the lobby committee started to function. According to the testimony the bureau received for its services $5,676.

There was a silk defense committee which was managed by Mr. Samuel Kridel, of New York City. He testified before the committee that this branch was organized in 1921 as "a defense against rates that would be detrimental to the silk industry in general." Mr. Kridel was very proud of the work he accomplished in 1922, and said that he spent in that year $18,000 in attempting to keep down the tariff on silk, and expected to spend the same amount in connection with the pending tariff revision.

The council divided itself up into groups, and, in fact, those groups, in one way or another, were interested in practically everything that is imported into this country. One of the groups was that presided over by Mr. Harry S. Radcliffe, of Montclair, N. J., and was composed of members engaged in importing pile fabrics, velvet, and velveteens. His statement shows an expenditure of $16,800 out of $17,500 collected, with obligations of $4,000 more incurred. The activities of this group were directed toward securing lower duties than those provided in the Fordney-McCumber tariff bill of 1922.

Mr. President, it was brought out that Mr. Philip Le Boutillier, who had charge of the publicity of the national council, was also a director of the National Retail Dry Goods Association; and this association had a budget for the year ending February 28, 1930, showing total estimated expenses of $295,108.82. It is only fair, I think, to say that this was not all necessarily expended for influencing tariff legislation, nor, indeed, for influencing governmental action of any kind. Much of it was undoubtedly used in activities quite outside the province of this inquiry. The statement does show, however, that $16,000 of this amount was appropriated for maintaining the Washington office; and Mr. Le Boutillier testified that the purpose of the Washington office is, to quote his own language, "to keep a general sort of ear open and eye open to what is going on, as to what may affect the retail trade in general."

The evidence disclosed that this organization also spent an additional amount of $3,792.84 in its tariff campaign. According to the evidence, I think I am perfectly safe in saying, after careful computation, that the national council expended in its campaign to influence tariff legislation in the interest of lower rates and foreign valuations, in 1929 alone, not counting what it has spent since then in the year 1930, considerably more than $100,000. Of course, the purpose of your so-called lobby committee is to develop these facts, the amounts of money expended by those engaged in lobbying activities, and the purpose for which the money was spent.

Mr. President, after hearing much evidence on this subject I am convinced that very active lobbies were engaged here throughout 1922 and throughout 1929, beginning as early as the latter part of 1928, on both sides of the tariff question. Furthermore, it would seem that no lobby has been more active, more persistent, has operated through more different channels of publicity, propaganda, and other lines in its effort to influence tariff legislation, than this lobby maintained by the National Council of American Traders and Importers and those connected with it.

Mr. President, this partial report does not cover, nor attempt to cover, the lobby maintained here by the foreign dye interests. I think I may safely say that that lobby, in undertaking to get its desires accomplished and its wishes written into law, was more expert than that maintained by any other organization. Much money was spent by the dye interests—and that means by the foreign dye interests, or those directly or indirectly related to them—in securing, or attempting to secure, foreign valuations.

Mr. BLEASE. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from South Carolina?

Mr. ROBINSON of Indiana. I yield to the Senator.

Mr. BLEASE. I should like to know just what the Senator from Indiana calls a lobby, and how it works.

Mr. ROBINSON of Indiana. I do not care to discuss that with the Senator at this time. I think my notion of the definition is the same as that of the Senator from South Carolina. Any individual or group of individuals attempting to influence legislation of any kind could be, of course, termed a "lobby."

Mr. BLEASE. Would the Senator consider a man a lobbyist who has a personal interest in a matter, who does not get any pay for it, is not hired, but, having a personal interest, goes to a friend of his who is a Senator and talks to him about the matter?

Mr. ROBINSON of Indiana. Mr. President, that would all depend. I should not want to draw any fine distinctions between lobbyists and near lobbyists. The only purpose of this committee is to show what money has been spent and what activities have been engaged in here during the past and present

sessions on both sides of every question that has been presented. Really, I should not care to go into an academic discussion with the Senator at this time as to what constitutes a lobby or a lobbyist.

Mr. BLEASE. I have had no experience with them, Mr. President. They never bother me.

Mr. BINGHAM. Mr. President——

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from Connecticut?

Mr. ROBINSON of Indiana. I yield.

Mr. BINGHAM. The Senator does not think, does he, that there is any doubt about the fact that before practically all of the subcommittees of the Finance Committee representatives of the Council of Importers and Traders were constantly appearing on practically every schedule, making their pleas for the consumer? There is no doubt about that being lobbying, any more than there is doubt about the fact that the manufacturers' associations had their agents before the committee insisting on increases.

Mr. ROBINSON of Indiana. No; I should say there is no question about that. There is no question in my mind but that before practically every subcommittee and at every hearing that was held the national council had its agents and operatives.

Mr. BINGHAM. I want to thank the Senator for bringing out these facts; for it aroused our curiosity considerably at the hearings to know how much money was being spent, because Mr. Le Boutillier, particularly, was extremely active with his young men in opposing any increases on any of the things in which they were interested.

Mr. ROBINSON of Indiana. As I have said, I have no doubt, from the evidence adduced before the committee, that more than $100,000 was spent by this organization last year in its effort to influence tariff legislation. That does not include what was spent by the so-called dye lobby, the lobby interested in securing foreign valuations.

I started to say, Mr. President—and this is my concluding word on the subject—that the committee is ready to report on that phase of the situation which concerns the dye question, and with reference to those who are interested in the lobby along that line; but the chairman of the lobby committee, the junior Senator from Arkansas [Mr. CARAWAY] has informed me that the junior Senator from Utah [Mr. KING] is confined to the hospital at this time, and that he has suggested he would like to be heard by the committee; that he has statements he wishes to make. That being true, the committee has felt it only fair and just that no report be made on that feature of the lobby investigation until the junior Senator from Utah has had an opportunity to appear and be heard.

I send to the desk at this time the partial report.

The VICE PRESIDENT. If there be no objection, the partial report will be received.

The report (No. 43, pt. 6) submitted by Mr. ROBINSON of Indiana is as follows:

[S. Rept. No. 43, pt. 6, 71st Cong., 2d sess.]

LOBBYING AND LOBBYISTS

Mr. ROBINSON of Indiana, from the subcommittee of the Committee on the Judiciary submitted the following report (pursuant to S. Res. 20):

Your committee, named by the chairman of the Committee on the Judiciary, pursuant to Senate Resolution 20, beg leave to report as follows:

Among others into whose activities in endeavoring to influence congressional or other governmental action your committee inquired, as required by Senate Resolution 20, were numerous individuals representing, or purporting to represent, organizations and associations whose business it was to secure low tariff or no tariff at all on various products of foreign countries imported into this country and sold in competition with similar goods manufactured and sold in the United States.

Prominent among such organizations was the National Council of American Importers and Traders (Inc.).

It was organized on March 12, 1921, and has been in existence continuously since that time. The testimony adduced shows conclusively that this organization maintained a lobby throughout the session of 1921 and 1922 for the purpose of influencing tariff legislation. Its interest was chiefly in maintaining the foreign-valuation features and in preventing any raise in tariff rates.

While your committee did not go into the details of costs for maintaining this lobby during these years, the evidence disclosed that considerable money was spent, and the organization considered that its efforts had been successful.

During 1929 the council was quite active and through its personnel and various branches expended large sums both in Washington and New York.

It was particularly successful in its effort to employ men who had been connected with the customs and other branches of Government service.

The organization kept a budget, and the evidence disclosed that from January 1 to November 25, 1929, the total receipts were $48,889.20, with total disbursements of $44,045.30.

In May, 1929, a circular letter was mailed by the president, Mr. Peter Fletcher, to members of the council, reading as follows [reading]:

DEAR MR. ———:

The present tariff situation merits this personal letter, in which I respectfully request your interest.

The National Council of American Importers and Traders (Inc.) has been continuously engaged this year in presenting the views of the American importer to the authorities in Washington, as well as to the general public, as effectively as possible. This has been done through the preparation and printing of suitable briefs, which have been distributed not only to the membership but to Members of both Houses of Congress and to commercial bodies and others interested throughout the United States. The national council has been represented before the Ways and Means Committee and the Senate Finance Committee by members of our customs committee.

Considerable success has resulted from the National Council of American Importers and Traders efforts. We must not imperil our activities by stopping this work now, but if we do not raise additional funds promptly the work must cease. The lack of a few thousand dollars should not be permitted to stand in the way.

The annual dues, which suffice to carry on the routine work of the council, do not and were not intended to cover these unusual expenses, which are unavoidable in a tariff year. The character of our work speaks for itself. The outcome of the fight is vital to all importers, and I therefore wish to appeal to you personally to send your check to the national council for at least $100.

Very truly yours,

——— ———, *President.*

A similar letter went out in October of the same year.

Members of this organization were assessed for lobby activities in accordance with what the officials of the organization thought they were able to pay (Rec., vol. 38, p. 5084), and were divided into two groups, one paying $100 and one paying $250, and good results were considered to be obtained when 50 per cent of the amount asked for was obtained.

The National Council of American Importers and Traders also maintained a publicity committee, whose duty it was to get their propaganda out to the general public. Mr. Philip Le Boutillier was chairman of the publicity committee. The evidence of Mr. Fletcher, the president, also discloses that he had in his employ as counsel George C. Davis, who was at one time employed by the Government as examiner of merchandise at the port of Chicago, and later special agent of the Treasury Department, and still later head of the customs information bureau at New York City. Mr. Davis passed away early last spring and was succeeded by his partner, Mr. Bevans, who was formerly examiner and special agent of the Treasury Department. Several thousand dollars were paid to them to assist in influencing tariff legislation. Mr. Frank J. Nolan was also employed by the council; he was a representative of the importers of woolen and worsted goods, a branch of the National Council of American Importers and Traders, and his services were particularly valuable because he was formerly employed by the Government as an examiner of woolen and worsted imports at port of New York.

Otto Fix is employed by Mr. Fletcher's organization as a member of the customs committee and was formerly examiner of cotton goods at the port of New York and later special agent and assistant to Mr. Davis in the customs information bureau; he qualified in 1922 as an expert on tariff. His expenses were paid by the council from April to October and amounted to $556.81. Mr. Charles F. Ruotti, representing the lace and embroidery branch of the National Council of American Importers and Traders, was formerly examiner of these commodities at the port of New York for the Government and made five visits to Washington in the interest of tariff legislation from February to October, 1929. Mr. Carl W. Stern and Mr. H. G. Hunt seem to be officials of this organization who were not trained by the Government. Mr. Fletcher seemed to be somewhat at a loss to know why they were hired, but Mr. Hunt had had considerable experience trying cases in the Court of Claims; he is no longer on the pay roll, however, as it is evident their office was abandoned about the time this committee started to function.

This organization has worked continuously for foreign valuations; a magazine called the American Importer is published monthly by them and is edited by their executive secretary, Mr. Frank Van Leer, and its principal purpose seems to be to conduct an educational campaign against American valuations and against higher duties.

The following transcript from the record is illuminating:

"Senator ROBINSON of Indiana. Isn't it true that members of your organization returning from Washington told in open meeting of the council of the splendid work the Washington office was doing, and what a great thing it was to have there?

"Mr. FLETCHER. I believe somebody got that impression.

"Senator ROBINSON of Indiana. You got it, didn't you? I have a telegram here, Western Union, dated June 14, 1929. See if you recognize this, Mr. Fletcher:

"'Our customs committee just returned from Washington reports that despite vigorous protests by National Retail Dry Goods Association, Marshall Field & Co., and others, there is great danger that the Senate Finance Committee will adopt the United States value as major basis of valuation. This means duty will be levied on wholesale selling price in America instead of wholesale foreign values in country of origin, making it impossible for to compute [sic] costs and determine selling price until after goods have arrived and been appraised upon the new basis. Pretext is to prevent fraudulent undervaluation, which we know are infinitesimal, and is an insult to every decent importer in the country. The effect would be enormous increase in duty. Urge you to telegraph the Senators in your State in strongest language you care to use protesting against this radical and revolutionary innovation.'

"Did you send that, Mr. Fletcher?

"Mr. FLETCHER. I sent it.

"Senator ROBINSON of Indiana. You meant that?

"Mr. FLETCHER. Every word of it.

"Senator ROBINSON of Indiana. And when you said they should telegraph their Senators in the strongest language they cared to use, what kind of language would you have suggested?

"Mr. FLETCHER. I suggested they use the strongest they cared to use.

"Senator CARAWAY. Who was this telegram sent to, Mr. Fletcher?

"Mr. FLETCHER. I think it was sent—we have got a list of it. I think it was sent to about 20 or 25 of the larger houses throughout the country.

"Senator CARAWAY. Importers?

"Mr. FLETCHER. All importers; yes."

The publicity was conducted by the Phoenix News Publicity Bureau and its plan is better shown by the record.

"Senator ROBINSON of Indiana. I have here a letter from the Phoenix News Publicity Bureau, 342 Madison Avenue, dated June 6, 1929. This purports to be a sort of plan of campaign and at the same time a sort of contract to be ratified.

"It is for the attention of Mr. Peter Fletcher, 52 White Street, New York.

"Estimate for National Council of American Importers and Traders.

"The Phoenix News Publicity Bureau (Inc.) submits the following plan for a publicity campaign for the National Council of American Importers and Traders (Inc.) for the purpose of exposing to the American consumers the evils of the proposed new tariff.

"The basis of this campaign would be to plan a direct news and feature articles in the newspapers to educate the consumer and general public so that citizens will know how much more they will have to pay for certain specific articles if the proposed tariff schedules are adopted by Congress."

Then the plan of campaign:

"The Phoenix bureau would organize a publicity campaign covering 800 of the largest morning and evening papers of the country. The material, data, statistics, facts of all kinds collected by the National Council of American Importers and Traders would be used as the basis for carefully written feature articles, news stories, and editorials. Our plan would be to reach as many different departments of the newspapers as possible.

"Interviews: The bureau would get interviews from leading jurists, economists, merchants, legislators, stylists, etc., getting their expert opinion on the evils to the American consumer of the proposed new tariff.

"Motion pictures: Over a period of three or four months' campaign it would be possible for us to plan and build up a news event which would be important enough to put into the news reels at one time during the publicity campaign. It takes a great deal of time and a good deal of ingenuity and a wide acquaintance with cameramen to do this, but the bureau in the past has been very successful with this particular branch of publicity; and if the organization wanted it in this case it could be arranged so that there would be no extra charge for a flash on the news reels, which would be worth many hundreds of dollars if the organization tried to buy the space.

"General publicity plan: A concentrated effort would be made to reach a circulation of not less than 40,000,000 over a period of three or four months. The chief means of doing this would be the newspapers of the country. We would build up a special list of newspapers and also work with the Associated Press and the United Press in an intensive campaign. An effort will be made to reach the large summer resorts where people have more leisure during the summer months to read and digest their home-town newspapers. We could also help with valuable suggestions as to the placing of speakers on programs of women's club meetings in October, when the club season starts, if this seems practicable.

"Costs: The bureau's fees for directing and planning such a campaign would be $800 per month for the period of the service. This fee includes the services of writers necessary, clerical work, and all costs of preparing and distributing newspaper copy. All traveling expenses, cost of stereotyped material, photographs, and messengers are not included in the above-mentioned fee.

"Respectfully submitted.

"PHOENIX NEWS PUBLICITY BUREAU (INC.),
"RUTH BYERS HEED, *President.*"

This agreement was subsequently ratified and the outlined plan adopted by the council.

This publicity bureau continued to function for several months during 1929, and its activities were not abandoned until about the time your committee came into existence. The plan outlined above seems to have been generally followed, and scarcely any method of publicity propaganda was overlooked. Its entire cost to the national council was $5,676.

Mr. Samuel Kridel, of New York City, who says he is a commercial banker, was called by your committee and testified. (Rec. vol. 38, p. 5165.) He is a member of the National Council Importers and Traders (Inc.) and is interested in securing lower duties on silk imports. He is chairman of the silk defense committee. This organization was perfected in 1921, as the witness testified, "a defense against rates that would be detrimental to the silk industry in general." Mr. Kridel was very proud of his work accomplished in 1922 and was of the opinion it should be repeated, and although a man by the name of Arman C. Stapfer was employed for the sum of $12,500 and expenses, most of the work was done by Mr. Kridel. Mr. Kridel testified that he spent $18,000 in 1922 to keep down the tariff on silk and expected to spend the same amount this time.

Mr. Arman C. Stapfer was called; he was born in Switzerland, came to this country in 1903, started to work for the Government as examiner of silk at the port of New York in 1908. Worked for the Government for eight years and received a maximum salary of $2,000 per year. He contracted with the silk defense committee, assisted in keeping down the tariff on silk and was to receive $12,500 and expenses, of which amount he has been paid to date—Janury 15, 1930—$4,000 and $4,000 expenses. All he says he did was to submit some facts and figures and data; he made some 15 or 18 trips from Chambersburg in 1929, and two trips in 1930, for which he has charged an expense of $4,000. While doing this he was general manager of the Piedmont Co. and was drawing a salary of $12,500 with a profit-sharing agreement; on January 1, this year, he went with the Central Falls Silks Co. with a salary and profit-sharing agreement out of which he hopes to make from $20,000 to $35,000 per year. Mr. Stapfer was also the star witness of the silk defense committee before the House Ways and Means Committee and the Finance Committee of the Senate.

Mr. Harry S. Radcliffe, of Montclair, N. J., was called to testify before your committee. (Rec. 40, p. 5289, etc.) He stated that he is a member of the National Council of Importers and chairman of the group engaged in importing pile fabrics, velvet, and velveteens. His statement shows an expenditure of $16,800 out of $17,500 collected, and obligations of $4,000 more incurred. His activities and those of his group were directed toward securing lower duties than those provided in the Fordney-McCumber tariff bill of 1922.

Mr. Philip Le Boutillier, of New York City, president of Best & Co., chairman publicity committee of national council, director of National Retail Dry Goods Association, and chairman of their tariff committee, was called before your committee; his testimony shows the employment of the Phoenix News Bureau, and that this concern was paid $5,676 for services and expenses in connection with the national council publicity campaign.

An estimated budget of the National Retail Dry Goods Association was also introduced into the record, showing total estimated expenses of $295,108.82 for the year ending February 28, 1930.

Of this amount $16,000 was allowed for maintaining the Washington office. Mr. Le Boutillier testified the purpose of the Washington office "is to keep a general sort of ear open and eye open to what is going on, as to what may affect the retail trade in general."

This organization also spent an additional amount of $3,792.84 in its tariff campaign.

This is but a brief outline of the activities of above-named persons and organizations. A full account may be had by inspecting the reports of hearings before your committee.

NEW YORK TELEPHONE RATES

Mr. WAGNER. Mr. President, I send to the desk and ask to have read a memorial sent to the Congress by the Legislature of the State of New York.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the memorial will be read.

The Chief Clerk read as follows:

STATE OF NEW YORK,
IN SENATE,
Albany, January 28, 1930.

(By Mr. Downing)

WHereas the people of the State of New York find themselves again immediately threatened with a drastic increase in telephone rates, in their long series of abuses at the hands of the New York Telephone Co.; and

Whereas the courts of the State and proper regulatory agencies, as constituted by the laws of the State, are frequently deprived of jurisdiction and prevented from taking adequate action for the protection of the people for the reason that Federal judges in the various Federal judicial districts of the State have held it within their power to assume

jurisdiction with respect to local public utilities, including the New York Telephone Co., and to restrain local authorities from administering and enforcing State laws and provisions of franchises and contracts to which the community is a party; and

Whereas the people of the localities affected consider such judicial action on the part of such Federal judges to be contrary to the intent and purpose of sound theories of government and an improper encroachment by Federal authorities upon the rights of the State of New York to administer its own affairs according to its own law; and

Whereas there are pending before the Federal Congress measures designed to protect the people of this State by preventing the interference by the Federal courts in the first instance in the regulation of local public utilities and leave the supervision and judicial control of such local utilities in the first instance to the courts and to duly constituted agencies of the locality affected:

Resolved (*if the assembly concur*), That the Congress of the United States be, and it is hereby, respectfully memorialized to enact with all convenient speed such legislation as will prevent action by the Federal courts in all cases in respect to public utilities in which local judicial authorities and local regulatory agencies are empowered to prevent the abuse of exorbitant or confiscatory rates by a local public utility until the highest court of the State has passed thereon: It is further

Resolved (*if the assembly concur*), That a copy of this resolution be transmitted to the Clerk of the House of Representatives and the Secretary of the Senate and to each Member of Congress and to each Senator elected from New York State.

By order of the senate.

A. MINER WELLMAN, *Clerk.*

In assembly, January 28, 1920.

Concurred in without amendment, by order of the assembly.

FRED W. HAMMOND, *Clerk.*

The VICE PRESIDENT. The memorial will be properly referred.

Mr. WAGNER. Mr. President——

The VICE PRESIDENT. Is there objection to discussion of this resolution? Under the rules, a resolution of this kind presented can not be discussed without unanimous consent, but must be referred without debate. Is there objection?

Mr. WATSON. What is it, Mr. President? I desire to find out what the purpose of it is.

Mr. WAGNER. Mr. President, if I do not obtain unanimous consent I can, of course, discuss this subject in connection with the unfinished business.

Mr. WATSON. I will say that ordinarily I should not object to a proposition of this kind; but it seems to me that what has just been read reflects very severely, in a critical and adverse way, upon the action of the Federal court. I doubt very seriously whether we ought to pass a resolution animadverting upon the court.

The VICE PRESIDENT. The resolution is not presented for the purpose of action, except for reference to a committee. It is from the Legislature of the State of New York.

Mr. WAGNER. Mr. President——

The VICE PRESIDENT. The Senator from New York.

Mr. WAGNER. The resolution just read is a memorial sent to this body by the Legislature of the State of New York.

Mr. WATSON. What does the Senator want done with it?

Mr. WAGNER. I should like to have it referred to the Committee on the Judiciary, because there is a bill pending before that committee, introduced by me, which proposes the very thing requested by the Legislature of the State of New York; and I want to say a word or two about it.

Mr. WATSON. I have no objection at all to the reference.

Mr. WAGNER. Mr. President, the memorial which was just read was passed unanimously by both chambers of the Legislature of the State of New York upon the recommendation of the governor of the State, Governor Roosevelt.

It reflects the definite public opinion of the State of New York with reference to the action of the Federal courts in assuming jurisdiction in rate cases which had come before the public utilities commission of the State.

By their action in assuming jurisdiction over these public-utility cases, the Federal courts have practically ousted the courts of the State of New York and the regulatory bodies of the State of New York of all control over the rates to be charged by the public utilities, as well as the character of service to be rendered. It is this encroachment by the Federal courts upon a province of State government which the people of the State of New York so much resent. The Federal courts have become the regulating bodies and the rate makers for our local public utilities. And that presents a very anomalous situation.

Congress has no power of supervision over public utilities which do purely an intrastate business. It can not regulate their rates; it can not supervise or control the service they are required to render. Yet a court created by Congress has become the regulatory body over public utilities doing purely an intrastate business.

The people of the State of New York resent this particularly because of two incidents which have occurred within the last two years. The first was in the matter of the Interborough case. At a previous time I had occasion to call the attention of the Senate to the action of the Federal court in the so-called Interborough case, in which the Interborough Rapid Transit Co. of New York gave notice to the Public Utilities Commission of the State of New York that it proposed to increase the rates of fare to be charged to its passengers.

Before the Public Utilities Commission of the State of New York had decided the question whether an increase should be granted or not, the Interborough Rapid Transit Co. went into a Federal court and secured an injunction restraining the public utilities commission from interfering with the proposed increase of fare by the Interborough Rapid Transit Co. In other words, even before our public utilities commission had passed upon the question, the Federal court took jurisdiction upon the ground that unofficially the Interborough Rapid Transit Co. had been informed that its demand for an increase would be denied. The Federal court granted to the Interborough the right to increase the rate of fare.

The city of New York appealed from that decision to the United States Supreme Court, and, happily, that court reversed the lower court and stated in its opinion that the taking of jurisdiction by the Federal court in that case was an abuse of discretion, that its order was improvident, and the matter was one for determination by the State courts.

Now, we have the telephone situation, in which the Public Utilities Commission of the State of New York declined to give the telephone company the right to increase its rates. What happened? The company did not contest the order in the State courts. The telephone company applied to the Federal courts and secured permission to increase its schedule of rates.

Mr. President, what the people of New York find it increasingly difficult to answer is this question, Why should the public utilities have a choice of courts to which they may take their cases for consideration? Under this system, they may go either into the Federal courts or into the State courts. They have the choice of judges, a judge presiding over a State court, or a judge presiding over a Federal court. The consumers have no such choice. They are limited in any action they may institute to the State courts. The municipality whose citizens are affected by the rates has no such choice. It is limited in any action it may institute to the State courts. The State of New York and its agencies, such as the public utilities commission, have no such choice. If they desire to institute action against a public-utility company they must resort to the State courts.

The bill which I have introduced proposes to limit the jurisdiction of the Federal courts to this extent, that it withdraws from the Federal courts jurisdiction over all public utilities within a State which do exclusively an intrastate business and where litigation involves only the construction of State statutes, or the review of the action of a State regulatory body, and restores it to the State courts.

I do not, of course, intend to deprive a public utility of any constitutional right it possesses to have tested the constitutional question whether or not rates fixed by a State body are confiscatory. If a question of confiscation which is regarded as a Federal question is involved, I propose that the public utility appeal from the highest court of a State to the Supreme Court.

In view of the experiences which the State of New York has had in the regulation of its public utilities, and which I know other States have had, I hope the Judiciary Committee will at a very early date consider the bill which I have introduced limiting the jurisdiction of the Federal courts.

Mr. CARAWAY. Mr. President, as one member of the Committee on the Judiciary, I assure the Senator from New York that I shall be very glad to see him get prompt action on his measure. I have but one fault to find with the bill; I wish it went farther.

The VICE PRESIDENT. The memorial will be referred to the Committee on the Judiciary.

MARSHALL, ARK., POST OFFICE

Mr. CARAWAY. Mr. President, I took the floor to make a statement and to put some telegrams in the RECORD touching the appointment of a postmaster at Marshall, Ark. The other afternoon I called attention to what I thought was a discrimination against an ex-service man. I am informed that both applicants for the appointment as postmaster at the place to which I have referred are ex-service men.

I said when I spoke before that I did not intend to interpose an objection to the confirmation of the appointee, but, carrying out a policy upon which I have resolved, I wanted to call attention to the evasion of the law and the discrimination against men who have worn their country's uniform.

I have a number of telegrams here concerning this particular appointment. Those which make reference merely to the politics of the two candidates or their efficiency I do not care to have included in the RECORD, because we are not going to investigate that, but those which deal with the facts I want to have printed in the RECORD, and to have the telegrams referred to the Committee on Post Offices and Post Roads.

The PRESIDING OFFICER (Mr. VANDENBERG in the chair). Is there objection?

There being no objection, the telegrams were referred to the Committee on Post Offices and Post Roads and ordered to be printed in the RECORD, as follows:

MARSHALL, ARK., *February 2, 1930.*

Hon. T. H. CARAWAY,
Washington, D. C.:

We, the undersigned Democratic members of the American Legion of Marshall, wish that you correct the statement you made before the Senate, as reported by Arkansas Gazette, in regard to W. G. Fendley, applicant for postmaster here. Mr. Fendley is an ex-service man and a member of our Legion. He was volunteer in the World War, and is an honest and upright citizen. Fendley received 15 votes out of 29 cast by the Republican central committee.

FOREST BAKER, *Adjutant.*
GASTER WALSH, *Finance Office.*
J. S. WILCOX.
W. S. SHILLINGS.
J. A. WILCOX.
FRED CLEMONS.
MASSEY.

MARSHALL, ARK., *February 2, 1930.*

Senator CARAWAY,
Washington, D. C.:

Regarding message by Treece, wish to add that Committeeman Drewery, after being brought here by Treece, voted for Fendley; also U. M. Sutterfield, secretary of committee, stout supporter of Fendley, hustled three committeemen into his car and brought them here. Committeeman Adams stated he was offered $50 by Fendley; this allegation will be supported by affidavits following in letter.

W. LELAND HENLEY.

MARSHALL, ARK., *February 1, 1930.*

Senator CARAWAY,
Washington, D. C.:

After reading of your criticism regarding selection of postmaster this place, will say I am owner of taxicab that went after Committeeman Drewery, and no charges were made but was done merely out friendship for Mathews.

W. S. TREECE, *Owner of Taxi.*

MARSHALL, ARK., *February 1, 1930.*

Senator T. H. CARAWAY,
Washington, D. C.:

Your information as reported in Gazette incorrect. Fendley is an ex-service man as well as Mathews. Fendley got 15 votes out of 29 of committee voting ballots. Chairman and both tellers were Mathews supporters. Fendley was declared indorsed and certified by chairman, who supported Mathews and later this mess was started without any foundation. All Democrats foundation, all Democrats except H. G. Treece, who was a teller and a Mathews supporter. People here want Fendley confirmed. Indorsed by Noah Bryan, J. C. Baker, Forrest Baker, A. A. Hudspeth, E. H. Daniel, H. G. Treece, J. I. Horton, Oscar Redman, S. C. Greenhaw.

WM. A. WENRICK.

LITTLE ROCK, ARK., *February 1, 1930.*

Senator T. H. CARAWAY,
Senate Office Building:

Your information on Marshall post office is wrong. There are 30 members of county committee; 1 did not vote and 15 voted for Fendley. Fendley is also an ex-service man and first on eligible list, while Mathews is second. Civil Service Commission made an exhaustive investigation of all changes and for second time certified Fendley first and Mathews second. To-day's Gazette carries a criticism which I hope you will correct.

WALLACE TOWNSEND.

Mr. CARAWAY. I ask unanimous consent to have placed in the RECORD and referred to the Committee on Post Offices and Post Roads an affidavit dealing with the post-office situation in Marshall, Ark.

There being no objection, the affidavit was ordered to be printed in the RECORD and referred to the Committee on Post Offices and Post Roads, as follows:

JOINT AFFIDAVIT

STATE OF ARKANSAS,
County of Searcy:

J. H. Barnett and S. A. Lay, both of Marshall, Ark., being duly sworn, depose as follows:

That on the 28th day of April, 1929, the Republican county central committee met at Marshall, Ark., to indorse an applicant for the position of postmastership of said place; that Elbert Adams was a committeeman from Tomahawk Township in said county and as such attended said meeting.

That on said date and before the committee had voted said Elbert Adams said to us that he wanted to support and vote for Leonard Mathews as postmaster, but that he had been offered $50 to vote for W. G. Fendley and would be compelled to vote for said W. G. Fendley owing to the fact that he needed the money.

J. H. BARNETT.
S. A. LAY.

Subscribed and sworn to before me this 3d day of February, 1930.
[SEAL.] H. G. TREEN,
Notary Public.

My commission expires January 4, 1931.

INVESTIGATION OF COTTON EXCHANGES

Mr. HEFLIN. Mr. President, I ask unanimous consent that the time at which the committee investigating the cotton exchanges is to report may be extended for 20 days. The committee is not quite ready to report. They are nearly through with the investigation, but the time for a report will expire this week, and on yesterday I was requested by the chairman of the committee, the Senator from Delaware [Mr. TOWNSEND] to ask for additional time, and I ask for 20 days more.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and that order will be made.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed a joint resolution (H. J. Res. 240) making an appropriation to enable the Secretary of Agriculture to meet an emergency caused by an outbreak of the pink bollworm in the State of Arizona, in which it requested the concurrence of the Senate.

MOUNTAIN OF THE HOLY CROSS, COLO.

Mr. PHIPPS. Mr. President, a short time ago the Mountain of the Holy Cross in Colorado was designated as a public monument. I hold in my hand a short poem written by Judge J. L. Noonan, of Glenwood Springs, Colo., which I ask permission to have printed in the RECORD.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

MOUNTAIN OF THE HOLY CROSS

By J. L. Noonan

Emblem of the Christian faith,
Mystic and sublime,
Symbol of the ages,
Far beyond the wreck of time;
Emblazoned on the mountain top,
Amid everlasting snow,
Formed by hands eternal
In the years of long ago.

Solid as the Rock of Ages,
Silent as the stars,
Permanent as the silent hills,
Immune to peace and wars,
Changeless as the ocean's tides
Anent the ebb and flow;
The rhythm of the ages
As the centuries come and go.

The seasons play around thy face,
The summer sun and rain,
The swirling snows of winter;
And the storm that blows amain
Has left no trace upon thy face
Of ages come and gone;
The promise of the Master holds
As centuries roll on.

Grand, sublime, eternal, ever
Steadfast as the sun,
Moveless as the ocean's bed
Since time has first begun;
Thy message floods all time and space,
Thy promise now as then
Brings hope and inspiration,
"Peace on earth, good will to men."

High above the mountain valley
On the snowy mountain range,
Where the sunset's ebbing splendor
Touch with pathos ever strange;
Amid the somber shades of twilight,
The snowy cross I see,
And I lift my hat in silence
To the Man of Gallilee.

Harbinger of life eternal,
Far removed from earthly dross,
Emblem of the life supernal,
Blessed evangel of the cross;
Long ago the troubled waters
Recognized the Master's will
In the quiet admonition
"Peace be still."

Long ago in times forgotten
By the finite mind of man,
When the age of reason staggered
And the age of faith began,
Then the cross was consecrated
In the world far and wide,
And that we never might forget it,
God placed it on the mountain side.

So we lift our eyes in reverence,
And the snowy cross we see,
With its sad transfiguration
On the Mount of Calvary,
And the Saviour's supplication
With the ages running true,
"Lord forgive them for
They know not what they do."

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 240) making an appropriation to enable the Secretary of Agriculture to meet an emergency caused by an outbreak of the pink bollworm in the State of Arizona was read twice by its title and referred to the Committee on Appropriations.

REVISION OF THE TARIFF

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2667) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes.

Mr. COPELAND. Mr. President, I offer an amendment to the pending bill, unless the Senator from Utah has some committee amendment upon which he wants to have action at this time.

Mr. SMOOT. All the committee amendments have been acted on.

The PRESIDING OFFICER. The clerk will report the amendment proposed by the Senator from New York.

The CHIEF CLERK. On page 3, line 6, after the semicolon and before the word "and," insert the following:

Carbon dioxide, weighing with immediate containers and carton, 1 pound or less, 1 cent per pound on contents, immediate containers, and carton.

Mr. SMOOT. Mr. President, I want to say to the Senator from New York that I have looked carefully into this matter to see what result would follow the adoption of this amendment, and I see no objection to accepting the amendment. It refers to an article which can not be made in this country, according to the statement of the manufacturers who have tried to do so. The amendment covers a little article containing gas, which must be capable of standing a pressure of 10,000 pounds. Up to the present time it has been impossible to make them in this country, and this represents a reduction on this item alone, so I see no reason why we should not accept the amendment offered.

Mr. COPELAND. Mr. President, I thank the Senator from Utah. The amendment relates to what is known as a sparklet bulb. The Senator has had correspondence about it.

Mr. SMOOT. Yes.

Mr. COPELAND. This little article is made of steel and contains half a pound of carbon dioxide. It has many uses in medicine and surgery and the culinary arts. These containers are made abroad, and, as the Senator from Utah has said, no establishment here produces them. The great concerns here, like the United States Steel and the cartridge companies, say they can not make it. If this amendment is adopted these containers can be refilled in the United States, and will cause the promotion of the industry here.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from New York.

The amendment was agreed to.

Mr. BARKLEY obtained the floor.

Mr. LA FOLLETTE. Mr. President, I have an amendment which I desire to propose, which applies to a provision in the bill before the one acted on previously, and I would like to offer my amendment now. I do not presume I have lost any right to offer it because the Senator from New York offered one to a provision appearing later in the same paragraph.

Mr. SMOOT. No; the schedule as a whole is before the Senate.

Mr. LA FOLLETTE. Mr. President, the amendment I desire to propose is to be inserted on page 2, line 10. Unless the amendment of the Senator from Kentucky is to come before that, I would like to offer my amendment in its proper order.

Mr. BARKLEY. As I understand it, under our unanimous-consent procedure amendments are in order to any part of the schedule before we finish it, so they do not have to be offered in the particular order of the schedule itself.

Mr. SMOOT. No; just before we conclude the consideration of the schedule an amendment may be offered to it.

The PRESIDING OFFICER. May the Chair state that the understanding at the desk is that the unanimous consent applies to the entire schedule and that the entire schedule is open to amendment?

Mr. BARKLEY. Yes; it is open to amendment until it is concluded.

The PRESIDING OFFICER. That is the understanding of the Chair.

Mr. BARKLEY. On page 2, line 8, I wish to strike out "three-fourths" and insert "one-half." That has reference to the tariff on acetic acid. I will state to the Senator from Utah, as he already knows, that there was no increase by the House in the present rate on acetic acid, and in view of the fact that we produce over 2,000,000 pounds per annum and imported in 1927 only 9,000 pounds and in 1928 only 4,000 pounds, I think the item is an excellent case for reduction below the present rate, as the imports are almost infinitesimal.

Mr. SMOOT. If the Senator will look at the imports and consumption of acetic acid in the United States, he will find that in 1928 there were 12,163,499 pounds consumed, valued at $644,816; and for six months in 1929 there were 11,837,669 pounds consumed at a value of $718,570.

Mr. BARKLEY. I have offered my amendment in the wrong place. I should have referred to the item in line 10. That is where I should have offered the amendment. The figures I was reading had reference to acetic anhydride instead of acetic acid. On page 2, line 10, in lieu of 5 cents, I move to insert 2½ cents.

Mr. SMOOT. That is the key product in the rayon silk industry.

Mr. BARKLEY. But there are no importations.

Mr. SMOOT. That may be true to some extent. I know the importations are very small.

Mr. BARKLEY. They do not amount to anything.

Mr. SMOOT. But the Senator now is cutting the rate just in two.

Mr. BARKLEY. Yes.

Mr. SMOOT. Does the Senator know what effect that will have? It may destroy the whole industry.

Mr. BARKLEY. Oh, no; our importations compared to consumption are only 0.45 per cent. There are no statistics available as to exports, but certainly where there are no imports to speak of and a sufficient domestic production to meet our demands, it seems to me that 5 cents is entirely too high.

Mr. SHORTRIDGE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from California?

Mr. BARKLEY. I yield.

Mr. SHORTRIDGE. Is it the desire of the Senator to increase the importations of the particular article? Is that the desire of the Senator?

Mr. BARKLEY. Oh no. I am not seeking to bring about primarily an increase in importations, but there are no facts available showing that there would be an increase of importa-

tions if the 5-cent rate should be lowered. I will state to the Senator from California that the act of 1913 carried a rate of 2.5 cents and the imports were inconsequential under that rate. The commodity is largely used in the manufacture of aspirin, which is widely used as a medicine in this country, and I am basing my amendment on the fact that when this low rate was applicable to the commodity there were practically no imports at all.

Mr. SHORTRIDGE. I do not wish to prolong the matter, but I am putting the question to get at the theory of the Senator. I understood the Senator to state that the importations are very limited, and he follows it by a request that the present rate be materially reduced. I inquire therefore what the purpose is if it be not to increase importations, and whether that is the desire or the purpose of the proposed amendment?

Mr. BARKLEY. That is not the purpose. The purpose is to relieve a commodity bearing too high a rate when the reduction will not materially increase imports, but will probably reduce to some extent the price of the imports which come into the United States.

Mr. SHORTRIDGE. Manifestly it would not affect local prices unless there was competition developed as the result of increased importations.

Mr. SMOOT. In 1925 the domestic production for sale was 2,088,567 pounds, valued at 28 cents a pound. Germany, of course, is the largest foreign manufacturer. I really believe that to adopt the amendment may not only upset the rayon industry but other industries in the United States. I hope the Senator will not insist upon it.

Mr. BARKLEY. Not only is this article used in medicine but it is used in the manufacture of rayon silk.

Mr. SMOOT. That is what I stated.

Mr. BARKLEY. Of course, if this rate did not produce imports under the acts of 1913 and 1922, it is not to be assumed that to reduce it to 2½ cents will bring more imports.

Mr. SMOOT. The silk industry make their own acetic anhydride. The statistics do not show the amount imported that is consumed in the United States, because the silk manufacturers make their own. To reduce the rate 50 per cent will have a serious effect, I assure the Senator.

Mr. BARKLEY. Of course the Senator understands that these figures of more than 2,000,000 pounds of domestic production show the amount of domestic production for sale. They do not include all that is made for use in this country.

Mr. SMOOT. The Senator's amendment is the equivalent of an ad valorem rate of less than 10 per cent, and it does not conform to other items in the schedule.

Mr. BARKLEY. I do not care to take up any unnecessary time with it, but if the reduction is adopted and the rate is believed to be too low, it can be worked out in conference. We ought to keep in mind that if we are trying to keep down some of the unnecessary high rates and we fix all of these rates as minimum rates in the present bill, the bill as it comes out of conference will be necessarily an increase over the present law. We could not have a case for decrease in rate that seems to me could have any more solid foundation than this, if there are to be any decreases at all.

Mr. SMOOT. I hope the Senate will not agree to the amendment.

Mr. LA FOLLETTE. Mr. President, I sincerely hope the amendment offered by the Senator from Kentucky will be agreed to. So far as the information furnished to the Finance Committee is concerned, the Tariff Commission informs us that the domestic production in 1925 was 2,088,567 pounds and the imports in the same year were 9,365 pounds. The apparent consumption was 2,097,000 pounds.

Mr. SMOOT. The Senator must take into consideration that in 1925 the silk industry of the United States which uses this product was almost nil. If we had the figures for to-day they would be quite different from those of 1925.

Mr. LA FOLLETTE. These are the latest available statistics and they are all we have upon which to base our decision.

Mr. SMOOT. I am aware of that.

Mr. LA FOLLETE. The Finance Committee in every instance where they found imports negligible have reduced the duties. I think this is a prima facie case for a reduction of the duty and I hope the amendment of the Senator from Kentucky will prevail.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky. [Putting the question.] The Chair is in doubt.

Mr. HARRISON. Before the Chair proceeds further I hope the Senator from Utah will accept the amendment. Here is a clear case where under the operation of the Underwood Act there were no importations at all.

Mr. SMOOT. It was an unknown article at that time.

Mr. HARRISON. If there is any item on which we might wish to reduce the rate, of course, the Senator can point out that it is going to affect some particular key industry. If we are constantly to have roll calls throughout on all of these individual amendments, we shall never get through with the bill.

Mr. SMOOT. I am just as anxious as the Senator can possibly be, and perhaps a little more so, to hasten the bill through.

Mr. HARRISON. Where could the Senator find a more striking case than in this particular item where there are no importations?

Mr. SMOOT. Up to 1925 that was true, but the industry at that time hardly existed.

Mr. HARRISON. The importations in 1928 were valued at $828 and amounted to 4,272 pounds.

Mr. SMOOT. In the silk manufacture that is one of the processes they must go through.

Mr. HARRISON. The Senator said the rayon industry itself makes its own acetic anhydride.

Mr. SMOOT. They do, and a mill is provided for that purpose. They manufacture it for their own use.

Mr. HARRISON. We ask for the yeas and nays on the amendment of the Senator from Kentucky.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. FESS (when Mr. GRUNDY'S name was called). The junior Senator from Pennsylvania [Mr. GRUNDY] is unavoidably detained from the Senate. Were he present, he would vote "nay" on this question.

Mr. SULLIVAN (when his name was called). I have a pair with the junior Senator from Tennessee [Mr. BROCK]. I transfer that pair to the Senator from Vermont [Mr. DALE] and will vote. I vote "nay."

Mr. PHIPPS (when Mr. WATERMAN'S name was called). My colleague [Mr. WATERMAN] is necessarily absent. He has a pair for the day with the junior Senator from Utah [Mr. KING]. If my colleague were present, he would vote "nay" on this question.

The roll call was concluded.

Mr. BINGHAM. I desire to announce that my colleague [Mr. WALCOTT] is unavoidably detained. He is paired with the junior Senator from Montana [Mr. WHEELER]. If my colleague were present, he would vote "nay."

Mr. GLENN. I have a general pair with the junior Senator from Arizona [Mr. HAYDEN]. I transfer that pair to the junior Senator from Pennsylvania [Mr. GRUNDY] and vote "nay."

Mr. NYE. My colleague [Mr. FRAZIER] is unavoidably absent from the city. On this question he is paired with the senior Senator from Delaware [Mr. HASTINGS]. Were those Senators present, my colleague would vote "yea," and the Senator from Delaware would vote "nay."

Mr. SCHALL. My colleague [Mr. SHIPSTEAD] is unavoidably absent. If he were present, he would vote "yea."

Mr. FESS. I wish to announce that the Senator from Pennsylvania [Mr. REED] has a general pair with the Senator from Arkansas [Mr. ROBINSON].

Mr. TOWNSEND. The senior Senator from Delaware [Mr. HASTINGS] is detained from the Senate because of illness in his family. If he were present, he would vote "nay."

Mr. SHEPPARD. I desire to announce that the Senator from Wyoming [Mr. KENDRICK] is necessarily absent on official business.

The PRESIDING OFFICER. On this question the yeas are 39 and the nays are 39——

Mr. HARRISON. I ask for a recapitulation of the vote.

The PRESIDING OFFICER. The clerk will recapitulate the vote.

The Chief Clerk recapitulated the vote.

The PRESIDING OFFICER. On this vote the yeas——

Mr. HARRISON (after having voted in the affirmative). I change my vote from "yea" to "nay," and ask for a reconsideration of the vote.

The roll call resulted—yeas 38, nays 40, as follows:

YEAS—38

Ashurst	Copeland	McKellar	Steck
Barkley	Dill	McMaster	Stephens
Black	Fletcher	Norbeck	Swanson
Blaine	George	Norris	Thomas, Okla.
Blease	Glass	Nye	Trammell
Borah	Harris	Overman	Tydings
Bratton	Hawes	Schall	Wagner
Brookhart	Heflin	Sheppard	Walsh, Mont.
Caraway	Howell	Simmons	
Connally	La Follette	Smith	

NAYS—40

Allen	Capper	Gillett	Gould
Baird	Couzens	Glenn	Greene
Bingham	Deneen	Goff	Hale
Broussard	Fess	Goldsborough	Harrison

Hatfield	McNary	Pine	Steiwer
Hebert	Metcalf	Ransdell	Sullivan
Jones	Moses	Robinson, Ind.	Thomas, Idaho
Kean	Oddie	Robsion, Ky.	Townsend
Keyes	Patterson	Shortridge	Vandenberg
McCulloch	Phipps	Smoot	Watson

NOT VOTING—18

Brock	Hastings	Pittman	Walsh, Mass.
Cutting	Hayden	Reed	Waterman
Dale	Johnson	Robinson, Ark.	Wheeler
Frazier	Kendrick	Shipstead	
Grundy	King	Walcott	

The PRESIDING OFFICER. On this question the yeas are 38, the nays are 40, and the amendment of the Senator from Kentucky [Mr. BARKLEY] is rejected.

Mr. HARRISON. I ask for a reconsideration of the vote by which the amendment was rejected.

The PRESIDING OFFICER. The Senator from Mississippi moves to reconsider the vote by which the amendment was rejected. [Putting the question.]

Mr. HARRISON. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. NYE (when Mr. FRAZIER'S name was called). My colleague [Mr. FRAZIER] is unavoidably absent from the city. Upon this question he has a pair with the senior Senator from Delaware [Mr. HASTINGS]. If those Senators were present and voting, my colleague would vote "yea," and the Senator from Delaware would vote "nay."

Mr. FESS (when Mr. GRUNDY'S name was called). The junior Senator from Pennsylvania [Mr. GRUNDY] is unavoidably detained from the Senate. Were he present, he would vote "nay."

Mr. SCHALL (when Mr. SHIPSTEAD'S name was called). My colleague [Mr. SHIPSTEAD] is unavoidably absent. Were he present, he would vote "yea."

Mr. SULLIVAN (when his name was called). I have a pair with the Senator from Tennessee [Mr. BROCK]. I transfer that pair to the Senator from Vermont [Mr. DALE] and will vote. I vote "nay."

The roll call was concluded.

Mr. FESS. I desire to announce the general pair of the Senator from Pennsylvania [Mr. REED] and the Senator from Arkansas [Mr. ROBINSON].

Mr. BINGHAM. I desire to announce that my colleague [Mr. WALCOTT] is unavoidably absent, being out of the city. He is paired on this question with the junior Senator from Montana [Mr. WHEELER]. If my colleague were present, he would vote "nay."

Mr. GLENN. Making the same announcement as on the last roll call, I vote "nay."

Mr. WHEELER. I have a pair with the Senator from Connecticut [Mr. WALCOTT]. I understand that if he were present he would vote "nay." I transfer that pair to the Senator from Nevada [Mr. PITTMAN] and will vote. I vote "yea."

Mr. SHEPPARD. I desire to announce that the Senator from Wyoming [Mr. KENDRICK] is necessarily absent on official business.

The result was announced—yeas 41, nays 38, as follows:

YEAS—41

Ashurst	Dill	McMaster	Swanson
Barkley	Fletcher	Norbeck	Thomas, Okla.
Black	George	Norris	Trammell
Blaine	Glass	Nye	Tydings
Blease	Harris	Overman	Wagner
Borah	Harrison	Schall	Walsh, Mass.
Bratton	Hawes	Sheppard	Walsh, Mont.
Brookhart	Heflin	Simmons	Wheeler
Caraway	Howell	Smith	
Connally	La Follette	Steck	
Copeland	McKellar	Stephens	

NAYS—38

Allen	Goff	McCulloch	Shortridge
Baird	Goldsborough	McNary	Smoot
Bingham	Gould	Metcalf	Steiwer
Broussard	Greene	Moses	Sullivan
Capper	Hale	Oddie	Thomas, Idaho
Couzens	Hatfield	Patterson	Townsend
Deneen	Hebert	Phipps	Vandenberg
Fess	Jones	Pine	Watson
Gillett	Kean	Robinson, Ind.	
Glenn	Keyes	Robsion, Ky.	

NOT VOTING—17

Brock	Hastings	Pittman	Walcott
Cutting	Hayden	Ransdell	Waterman
Dale	Johnson	Reed	
Frazier	Kendrick	Robinson, Ark.	
Grundy	King	Shipstead	

So the motion to reconsider the vote whereby Mr. BARKLEY'S amendment was rejected was agreed to.

The VICE PRESIDENT. The question now is on the amendment proposed by the Senator from Kentucky [Mr. BARKLEY]. [Putting the question.] By the sound the noes seem to have it.

Mr. LA FOLLETTE, Mr. HARRISON, and Mr. BARKLEY called for the yeas and nays, and they were ordered.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GLENN (when his name was called). Making the same announcement as on the last roll call, I vote "nay."

Mr. SCHALL (when Mr. SHIPSTEAD'S name was called). I ask to have the RECORD carry the same announcement I made on the last roll call with reference to my colleague [Mr. SHIPSTEAD].

Mr. SULLIVAN (when his name was called). I repeat the announcement made on the previous roll call and will vote. I vote "nay."

Mr. BINGHAM (when Mr. WALCOTT'S name was called). My colleague [Mr. WALCOTT] is unavoidably absent. He is paired with the junior Senator from Montana [Mr. WHEELER]. If my colleague were present, he would vote "nay."

Mr. WHEELER (when his name was called). Making the same announcement as before, I transfer my pair to the Senator from Nevada [Mr. PITTMAN] and will vote. I vote "yea."

The roll call was concluded.

Mr. RANSDELL. I have a pair on this question with the Senator from Minnesota [Mr. SHIPSTEAD]. I therefore refrain from voting.

Mr. NYE. Upon this question my colleague [Mr. FRAZIER], who is unavoidably absent, has a pair with the senior Senator from Delaware [Mr. HASTINGS]. Were they present and voting, my colleague would vote "yea," and the Senator from Delaware would vote "nay."

Mr. SHEPPARD. I desire to announce that the Senator from Wyoming [Mr. KENDRICK] is necessarily absent on official business.

Mr. FESS. I desire to announce the general pair of the Senator from Pennsylvania [Mr. REED] and the Senator from Arkansas [Mr. ROBINSON].

The result was announced—yeas 41, nays 39, as follows:

YEAS—41

Ashurst	Dill	McMaster	Swanson
Barkley	Fletcher	Norbeck	Thomas, Okla.
Black	George	Norris	Trammell
Blaine	Glass	Nye	Tydings
Blease	Harris	Overman	Wagner
Borah	Harrison	Schall	Walsh, Mass.
Bratton	Hawes	Sheppard	Walsh, Mont.
Brookhart	Heflin	Simmons	Wheeler
Caraway	Howell	Smith	
Connally	La Follette	Steck	
Copeland	McKellar	Stephens	

NAYS—39

Allen	Goff	Keyes	Robsion, Ky.
Baird	Goldsborough	McCulloch	Shortridge
Bingham	Gould	McNary	Smoot
Broussard	Greene	Metcalf	Steiwer
Capper	Hale	Moses	Sullivan
Couzens	Hatfield	Oddie	Thomas, Idaho
Deneen	Hebert	Patterson	Townsend
Fess	Johnson	Phipps	Vandenberg
Gillett	Jones	Pine	Watson
Glenn	Kean	Robinson, Ind.	

NOT VOTING—16

Brock	Grundy	King	Robinson, Ark.
Cutting	Hastings	Pittman	Shipstead
Dale	Hayden	Ransdell	Walcott
Frazier	Kendrick	Reed	Waterman

So Mr. BARKLEY'S amendment was agreed to.

Mr. BARKLEY obtained the floor.

Mr. COPELAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from New York will state his inquiry.

Mr. COPELAND. May I have the attention of the Senator from Utah? If, perchance, it shall seem desirable to make an effort to transfer some article from the free list to some paragraph in the chemical schedule, would it be in order to do that now?

Mr. SMOOT. It would be better to wait until we get to the free list.

Mr. BARKLEY. Mr. President, on page 2, line 10, under the head of "boric acid," I move to strike out "1½" and insert in lieu thereof "1," so that the tariff on boric acid, if the amendment shall be adopted, will be 1 cent per pound.

The facts with reference to boric acid are very simple. In 1927 there were produced in the United States more than 21,000,000 pounds of boric acid, and the importations in 1927 amounted to only 406,000 pounds; 3,382,000 pounds were exported, about eight times the amount of the imports of boric acid.

Boric acid is used for very many things, among them being the making of enamel ware of iron and steel, kitchen ware, and sanitary ware. It is used as an ingredient in the glazing of earthenware and pottery. It is used in the manufacture of

some varieties of glass, and is also widely used as an antiseptic eyewash.

In view of the fact that the importations are infinitesimal compared with the domestic production, I think the rate ought to be reduced from 1½ cents to 1 cent.

Mr. SMOOT. Mr. President, I think there is no particular harm in this. I am perfectly willing to accept the amendment and let it go to conference.

Mr. SHORTRIDGE. Mr. President, how much revenue was derived by the Government last year from the tariff on this item?

Mr. SMOOT. Six thousand and twenty-three dollars.

Mr. SHORTRIDGE. I would like to ask the Senator from Kentucky whether he does not think that if the Government needs a little revenue it would not be wise now and then to impose a tariff on imports for the sole purpose of raising revenue?

Mr. BARKLEY. Mr. President, if I thought that my constant adherence to that theory would have any influence on the Senator from California, I might be favorably inclined, but in view of the fact that we have just reduced income taxes $160,000,000 a year because we had a surplus, I do not think a half a cent a pound on 400,000 pounds of boric acid will go very far toward keeping the Government out of bankruptcy. It amounts to about $2,000.

Mr. SHORTRIDGE. Quite true; but inasmuch as it requires about $4,000,000,000 to carry on this Government, and last year we received but about $602,000,000 from tariff duties, I put this question as it may apply to a great many other items which will be the subject of discussion, might it not be well for us to pause occasionally to think of the old doctrine of a tariff for revenue? Where in a given case the imports are small, then manifestly the revenue is of course small.

Mr. BARKLEY. I think it might be well to pause occasionally and consider that where the tariff is attempted to be put on as a revenue measure, but the tariff on boric acid is, frankly, not a revenue tariff; it is a protective tariff.

Mr. SHORTRIDGE. I believe in the tariff for two purposes, namely, for raising revenue for the Government, and for the protection of a given industry.

Mr. BARKLEY. In my judgment, in this case a tariff of 1½ cents is not needed either for revenue or as a matter of protection.

Mr. NORRIS. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. NORRIS. Carrying out the theory of the Senator from California, we might pause here to inquire whether the revenue would not be greater with the tariff at 1 cent than if the tariff were a cent and a half. Perhaps a cent and a half is pretty nearly an embargo. I notice that very little of this material is imported with a tariff of 1½ cents.

Mr. BARKLEY. I think the Senator's inquiry is very pertinent.

Mr. NORRIS. As a matter of fact, probably there would be more revenue with the duty at a cent than if it were a cent and a half.

Mr. BARKLEY. It is very probable that we would receive more.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Kentucky.

The amendment was agreed to.

Mr. BARKLEY. Mr. President, on page 2, line 12, I move to strike out "formic acid, 4 cents per pound."

Mr. SMOOT. What does the Senator desire to have done with that item?

Mr. BARKLEY. That would result in it going into the basket clause, where it is in the present law, with a rate of 25 per cent ad valorem.

Mr. SMOOT. Yes; that is where it would go.

Mr. BARKLEY. It would automatically go into the basket clause.

Mr. SMOOT. I did not know but that the Senator wanted to change the specific rate.

Mr. BARKLEY. No; I simply want to restore it to the basket clause, where it is now, with a rate of 25 per cent ad valorem.

Under the present rate, up until two or three years ago, there was no domestic production commercially. Operating under that rate, during the last three or four years the production has increased, and the domestic producers are now producing more than the entire importations under the 25 per cent rate. With that showing made in two or three years on behalf of the domestic producer, it does not seem to me that there is any justification for increasing this rate from 25 per cent to 55 per cent ad valorem, which is the rate carried in the bill.

Mr. SMOOT. Mr. President, in the act of 1922 formic acid fell in the basket clause at 25 per cent. The rate in the bill as it passed the House is 4 cents a pound, and the Senate committee rate is 4 cents a pound.

Formic acid is an important chemical in the dyeing and tanning industries, and its importance as a substitute for acetic acid is becoming greater as the demand for and price of the latter has increased due to its extensive use in the manufacture of acetate silk. The annual domestic consumption of formic acid, entirely supplied by imports from 1923 to 1928, increased from about 1,250,000 pounds to about 3,000,000 pounds during that time. There was no domestic production of formic acid from 1923 to 1928, when two firms began its manufacture.

Both formic and oxalic acids are made from the same raw materials, but the process differs in the treatment of the intermediate material—sodium formate.

During the war period imports of formic acid were under license control and the entire consumption was supplied by one domestic manufacturer. Two months after termination of license control domestic production ceased because of competition from imports. The price of formic acid then became higher than before the war, while at the same time the unit value of imported oxalic acid, the duty on which was increased from 4 cents to 6 cents per pound by presidential proclamation, decreased to less than before the war. This indicates that the increased duty on oxalic acid was partially absorbed by reduction in its price and partly by an increase in the price of formic acid.

Under normal operating conditions the cost of production of formic acid is slightly less than that of oxalic acid. One of the two domestic manufacturers of formic acid stated that the cost of production at capacity production during March and April, 1929, was 10.63 cents per pound f. o. b. plant, compared with 12.72 cents per pound for oxalic acid during the calendar year 1927.

In 1928 the unit values of imports of formic and oxalic acids were 7.7 and 5.2 cents per pound, respectively. The 25 per cent duty on formic acid was 1.92 cents per pound, compared with 6 cents per pound on oxalic acid.

The domestic manufacturer requested a duty of 6 cents per pound on formic acid. In giving a rate of 4 cents per pound (77 per cent equivalent ad valorem) the landed cost of the imported article is calculated to be 12.3 cents per pound as against a delivered cost of the domestic article at the same point of 11.2 cents per pound.

Formic acid costs less to make than oxalic acid, yet the invoice price is higher, showing that the foreign seller is taking a greater profit on the item when domestic competition has been small.

Mr. President, that is the story of the production and the sale of formic acid, and the reason why this rate was imposed on that article.

Mr. BINGHAM. Mr. President, bearing upon this and many other amendments, my colleague [Mr. WALCOTT] last evening delivered, over the national broadcasting radio hook-up, an extremely interesting and illuminating address on The Industrial Aspects of the Tariff, at the invitation of the National League of Women Voters. I ask unanimous consent that it may be printed in the RECORD at this point.

The VICE PRESIDENT. Is there objection?

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF HON. FREDERIC C. WALCOTT, UNITED STATES SENATOR FROM CONNECTICUT, ON THE INDUSTRIAL ASPECTS OF THE TARIFF

A prosperous economic balance throughout the United States requires that both our agriculture and our manufacturing industries shall be upon a sound basis of profitable activity. This in turn requires that each shall have ample outlets for its products and at prices commensurate with our standard of living.

There was a time when our geographic location, our distance from competing countries, and the transportation difficulties and costs arising therefrom helped considerably in maintaining that shelter under which we have made such remarkable progress. But, as the means of communication have been bettered and transportation distances have been shortened and made less expensive by modern inventions and improvements, agriculture and industry within the United States have been made more and more subject to the competition generated by like activities in foreign countries, and hence are more dependent than ever before upon other than physical barriers to regulate this foreign competition, where labor is seriously underpaid and the laborers' living conditions deplorable.

We are all aware, of course, that since the liquidation which followed the World War, or for the last 10 years or more, our agriculture has not been upon a profitable basis, generally speaking. It has not had that degree of prosperity which many of our manufacturing industries have recorded. Both branches of the Congress have given much

sympathetic thought to the problem of bringing greater prosperity to our agricultural interests, but it must be admitted that thus far no miracle-working panacea has been found to remedy or remove all of the accumulated ills of the farmer.

Upon the other hand, it is well to remember that there are many of our manufacturing industries which have been, and are now, in like condition with our agriculture. Above all, we should keep clearly before us, as a matter of plain logic, the self-evident fact that we can not successfully build up one part of our economic structure by pulling down another part; that we can not benefit agriculture by destroying or permitting to be destroyed any part of that great industrial activity of the Nation, whose purchasing power furnishes the chief customer for our farm products.

It is apparent, therefore, that our economic problem is not in any sense a sectional one. It is national in scope, and it must be approached in the broad spirit of a constructive nationalism if any effective or lasting results are to be obtained.

It is true, of course, that a few of our very large industries which are ahead of their foreign competitors in employing the very latest labor-saving devices and the methods of mass production have so increased their output per employee that they have been able to pay slightly better than the prevailing rates of wages for like employment and still successfully meet foreign competition in the domestic market without the aid of tariff protection. But such industries as I have described are very few in number, and our foreign competitors are rapidly employing the improved machinery, which again places the foreign manufacturer in the lead, because he pays lower wages than prevail within the United States.

Another difficulty threatens American business: American capital is migrating to the foreign sources of cheap labor and lower production costs. Capital can move easily and must have inducements to remain at home.

It is important to remember that there are thousands of articles manufactured in this country which are made by substantially the same methods as are employed abroad. The raw materials for these do not cost less here than in foreign countries. Under such circumstances, with the same cost for material and involving the same amount of labor as is required in like processes abroad but at much higher wages than are paid anywhere else in the world, it is obvious that the cost of making such products here must be considerably more than elsewhere. This is our contribution to the high-wage theory under which we have made the American standard of living the envy of all other peoples.

We would not sacrifice or in any way endanger that standard of living of the American workman. It has made this a country of opportunity and advancement, in which all our people enjoy the comforts and an increasing number and variety of the luxuries of life. It has made for internal peace and contentment, the elimination of class distinctions, and the creation of a finer and more constructive cooperation between employer and employee than exists anywhere else in the world.

But it must be apparent that for those industries and their employees which have no mechanical advantage over their foreign competitors and whose products cost more to produce by reason of higher labor costs there must be some method of adjusting or equalizing the competing foreigner's advantage—some means of supporting and sustaining these higher wage rates which are the very basis of our higher standard of living and the foundation of our enormous purchasing power. Thus far no way has been found of making this adjustment except through the Federal Government, and the method employed is termed tariff protection. The measure of the needed protection, in the form of tariff duties upon imports, is the difference between production costs in foreign competing countries and those resulting from the most improved methods of manufacture and the use of labor-saving devices in the United States.

These differences in cost of production are scientifically determined by the Federal Tariff Commission upon the basis of facts gathered from all parts of the world. All of this testimony is submitted to the tariff committees of Congress by the Tariff Commission; and it is upon this groundwork that a Republican Congress enacts the protective rates for which the Republican Party has stood throughout its entire history.

To-day approximately 33,000,000 persons, or somewhat more than a quarter of our entire population, work from day to day, earning a livelihood by gainful occupation. Of these, approximately 15,000,000, or nearly one-half, are investors in the securities of our industrial corporations, our transportation systems, and our other public utilities. They are able not only to buy the necessities of life but to help finance the improvements and expansion of American business enterprises with the surplus earnings which come to them as a consequence of our higher wage scales.

Out of our high wage system, therefore, has come not only a large measure of industrial peace, with all of its obvious benefits, but a 3-cornered partnership between the owners, the managers, and the workmen, all of them investors in this great industrial structure for which they expect and have a right to demand every protection and safeguard that our Government can extend. Upon the principle of tariff protection this whole structure, including the standard of living, has been built, and only by tariff protection can it be maintained.

It is apparent, therefore, that it is the part of wisdom and of plain common sense for us to protect and preserve our industries in every possible way in order that they may continue to give employment at those wage levels which are the basis of our national prosperity and purchasing power. For it is these wage scales which leave to our workers a progressively larger surplus above an advancing living standard, and this surplus in turn is invested in our industrial and other corporate or private enterprises. Without a healthy functioning of this great industrial mechanism that we have created, no part of our Nation can be prosperous, and any attempt to break down this protection to industry and wages is a blow aimed at the very heart of America.

But there are two major branches of our economic existence. Manufacturing industries alone do not make the entire picture.

A large part of every State is devoted to agriculture. Some 12,000,000 of our people, or, perhaps, 10 per cent of our entire population, are engaged in or are dependent upon agriculture for a living. They produce from the soil the necessities of life, and in so doing they create a substantial part of the real wealth of the Nation. It is admitted that agriculture has not prospered as other enterprises have, and it is the clear duty of the Government to do everything within its power to remedy this situation. The problems involved, however, are so varied and difficult that many of them do not lend themselves to the remedies that are effective for industry.

Weather conditions are beyond human control. The seed, once planted, can not be altered to meet the changing fancy of the buyer. In industry there is a degree of flexibility which can not exist in farming. Control and cooperation are far more difficult.

Upon some of the major items of our agricultural production the protection of a tariff can not be fully effective. The existence of a surplus above our domestic consumption—unless that surplus can be held or adequately controlled—means that it must come into competition with the world price, which is often below our cost of production.

For example, in 1928 our wheat, corn, and cotton crops sold for the stupendous amount of $2,700,000,000; yet the hundreds of thousands of persons engaged in raising these crops, or dependent upon them, barely made a decent living. So great was the surplus in these crops—60 per cent in the case of cotton—that it had to be exported and sold in the world market. No tariff could effectively protect the price on these surpluses for the imports were negligible. Hence, if the farmer has to pay wages equal to those paid in industry—and he does have to pay nearly those wages in order to get the labor wherewith to plant and harvest his crops—it is obvious that he is engaged in a losing enterprise.

There has recently been created the Federal Farm Board. This board was designed, and has been financed, to help the farmer, by cooperative effort, to buy his materials to better advantage, to enable him to store and hold his crops until there is a demand for them, and to assist in bringing about more orderly marketing, in order to prevent the flooding of the market with any given crop.

Inasmuch as we are all interdependent, it is clear that the old maxim, "All for one and one for all," must be made to apply as fully as possible to our entire country, and that can not be done by trying to stimulate one branch of our productive system by deliberately stifling another branch.

The protection and welfare of our industry generates the purchasing power which affords the largest and richest market for our agricultural output. We can not help agriculture by contracting its best outlet.

We must protect the right of every person to earn a decent living, which means the ability to buy the necessities of life and enough over to educate the children and have something left for leisure and a surplus to be invested against a rainy day.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY].

Mr. McNARY. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. NYE (when Mr. FRAZIER's name was called). Upon this question my colleague the senior Senator from North Dakota [Mr. FRAZIER] is paired with the senior Senator from Delaware [Mr. HASTINGS]. Were they present and voting, my colleague would vote "yea," and the Senator from Delaware would vote "nay."

Mr. FESS (when Mr. GRUNDY's name was called). Making the same announcement as before as to the unavoidable absence of the junior Senator from Pennsylvania [Mr. GRUNDY], I wish to state that were he present he would vote "nay."

Mr. SCHALL (when Mr. SHIPSTEAD's name was called). My colleague [Mr. SHIPSTEAD] is unavoidably absent. Were he present, he would vote "yea."

Mr. SULLIVAN (when his name was called). Repeating my statement made on the previous vote, I vote "nay."

Mr. PHIPPS (when Mr. WATERMAN's name was called). Repeating my announcement as to my colleague's pair, I wish to state that if present he would vote "nay."

The roll call was concluded.

Mr. SHEPPARD. I desire to announce that the Senator from Wyoming [Mr. KENDRICK] is necessarily absent on official business. I wish also to announce that the Senator from Montana [Mr. WHEELER] is paired with the Senator from Connecticut [Mr. WALCOTT].

Mr. FESS. I wish to announce the general pair of the Senator from Pennsylvania [Mr. REED] with the Senator from Arkansas [Mr. ROBINSON].

Mr. RANSDELL. On this vote I have a pair with the Senator from Minnesota [Mr. SHIPSTEAD]. I therefore refrain from voting.

Mr. GLENN. Making the same announcement as on the last vote, I vote "nay."

Mr. METCALF (after having voted in the negative). I find that my pair, the Senator from Maryland [Mr. TYDINGS], has not voted. I transfer my pair to the junior Senator from Kansas [Mr. ALLEN] and let my vote stand.

The result was announced—yeas 42, nays 34, as follows:

YEAS—42

Ashurst	Couzens	Kendrick	Smith
Barkley	Cutting	La Follette	Steck
Black	Dill	McKellar	Stephens
Blaine	Fletcher	McMaster	Swanson
Blease	George	Norbeck	Thomas, Okla.
Borah	Glass	Norris	Trammell
Bratton	Harris	Nye	Wagner
Brookhart	Harrison	Overman	Walsh, Mass.
Capper	Hawes	Schall	Walsh, Mont.
Caraway	Heflin	Sheppard	
Connally	Howell	Simmons	

NAYS—34

Baird	Gould	McNary	Shortridge
Bingham	Greene	Metcalf	Smoot
Broussard	Hale	Moses	Sullivan
Deneen	Hatfield	Oddie	Thomas, Idaho
Fess	Hebert	Patterson	Townsend
Gillett	Jones	Phipps	Vandenberg
Glenn	Kean	Pine	Watson
Goff	Keyes	Robinson, Ind.	
Goldsborough	McCulloch	Robsion, Ky.	

NOT VOTING—20

Allen	Grundy	Pittman	Steiwer
Brock	Hastings	Ransdell	Tydings
Copeland	Hayden	Reed	Walcott
Dale	Johnson	Robinson, Ark.	Waterman
Frazier	King	Shipstead	Wheeler

So Mr. BARKLEY's amendment was agreed to.

Mr. BARKLEY. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 3, lines 3 and 4, strike out the words "containing by weight of phosphoric acid less than 80 per cent"; also, in line 5, strike out "80 per cent or more, 3½ cents per pound," so as to read:

Phosphoric acid, 2 cents per pound.

Mr. BARKLEY. Mr. President, I will state to the Senator from Utah that the amendment simply restores the present law as it relates to phosphoric acid, of which we produced 22,397,000 pounds in 1927 compared with a domestic production of a little over 6,000,000 pounds in 1921, and compared with importations of 316,000 pounds in 1928. Under these circumstances I see no reason why there should be any increase in the tariff on phosphoric acid.

Mr. SMOOT. Mr. President, I call the attention of the Senate to this particular item of phosphoric acid. In the act of 1922 it carried a rate of 2 cents a pound. In the House bill phosphoric acid containing by weight of phosphoric acid less than 80 per cent was 2 cents a pound; 80 per cent or more, 3½ cents a pound. The Senate committee amendment provided for phosphoric acid containing by weight of phosphoric acid less than 80 per cent, 2 cents a pound, and 80 per cent or more, 3½ cents a pound.

Phosphoric acid occurs in two grades, as the amendment indicates, the medicinal grade containing 80 per cent or more of phosphoric acid, and the commercial grade, which ranges from 50 to 75 per cent strength. No change has been made in the rate on commercial phosphoric acid. That is left as it is in the present law. However, the act of 1922 does not distinguish between medicinal and commercial phosphoric acid. The medicinal grade must contain at least 80 per cent by weight of phosphoric acid according to the specifications of the United States Pharmacopœia. Commercial phosphoric acid contains 50 to 75 per cent of phosphoric acid by weight. Competition in imports of medicinal phosphoric acid has been severe. The committee therefore agreed with the House increase on the medicinal grade from 2½ to 3½ cents a pound, which is covered by the insertion of the provision reading "containing by weight of phosphoric acid 80 per cent or more, 3½ cents per pound," while the commercial grade containing less than 80 per cent by weight of phosphoric acid remains at 2 cents.

In the last three years we have produced about one-third of our consumption of the United States Pharmacopœia grade, or the medicinal grade, of phosphoric acid. The committee made no change in the 2-cent rate on the lower grade, but for the medicinal grade, where we produce only one-third of the consumption of the United States, the rate was increased. It is for that reason that not only the House raised the rate upon medicinal phosphoric acid but the Senate Finance Committee concurred in it.

The PRESIDING OFFICER (Mr. MCNARY in the chair). The question is on agreeing to the amendment of the Senator from Kentucky.

The amendment was agreed to.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BARKLEY. Under the language on page 3, "all other acids and acid anhydrides not specially provided for, 25 per cent ad valorem," is included bromic acid. I desire to transfer that product to the free list. In order to do that is it necessary to offer an amendment at this time, or should I wait until we get to the free list?

Mr. SMOOT. The better way would be to leave it until we reach the free list.

Mr. BARKLEY. Then I have no further amendments to paragraph 1.

Mr. LA FOLLETTE. Mr. President, a parliamentary inquiry. I inquire if the amendment offered previously by the Senator from Kentucky has been agreed to?

The PRESIDING OFFICER. The Chair announced that the amendment had been agreed to.

Mr. BARKLEY. Mr. President, if there is no other amendment to paragraph 1, I desire to offer an amendment to paragraph 2.

Mr. SMOOT. The Senator from Wisconsin has an amendment to offer to paragraph 1, I understand.

Mr. LA FOLLETTE. I was prepared to offer amendments similar to those offered by the Senator from Kentucky, but, in view of the fact that the Senator from Kentucky has offered them, I do not care to press my amendments.

Mr. SMOOT. Schedule 2 begins on page 35.

Mr. LA FOLLETTE. Mr. President, I think that paragraph 2 of Schedule 1 comes next.

The PRESIDING OFFICER. Are there any further amendments to paragraph 1?

Mr. BARKLEY. I have no further amendments to offer to that paragraph.

Mr. SMOOT. Does the Senator from Kentucky desire to offer any amendment to paragraph 2?

Mr. BARKLEY. The Senator from Mississippi [Mr. HARRISON] desires to offer an amendment to that paragraph.

Mr. WALSH of Massachusetts. Mr. President, I should like to inquire of the Senator from Utah, while the Senator from Mississippi is preparing his amendment, what rate is left on oxalic acid?

Mr. SMOOT. The rate remains at 6 cents a pound.

Mr. WALSH of Massachusetts. The rate remains where it was placed by presidential proclamation?

Mr. SMOOT. The rate provided in the bill is the rate provided in the President's proclamation.

Mr. WALSH of Massachusetts. I think it should so remain.

Mr. BARKLEY. Mr. President, I contemplated offering an amendment striking out on page 3 from lines 9 to 24, inclusive, embracing the whole of paragraph 2, and inserting the provisions of the present law in lieu thereof. The Senator from Mississippi [Mr. HARRISON], however, wants to offer an amendment to perfect an item in that paragraph, and I withhold my amendment until the Senator from Mississippi shall have had that opportunity.

Mr. HARRISON. On page 3, line 14, I move to strike out "ethylene glycol" and to insert "ethylene glycol" at the end of the paragraph with a new rate.

Mr. WALSH of Massachusetts. To what product does the Senator refer?

Mr. HARRISON. To ethylene glycol. I desire to reduce the rate to 6 cents per pound and 20 per cent ad valorem.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Mississippi.

Mr. WALSH of Massachusetts. Will the Senator from Mississippi state his reasons for the amendment?

Mr. HARRISON. The reasons are these: Ethylene glycol is the most important of the ethylene derivatives and is somewhat similar to glycerin in its properties. Its chief use

is as a partial substitute for glycerin in the manufacture of dynamite, the freezing point of which it lowers. It is also consumed in rapidly increasing quantities as an antifreeze in automobile radiators, to a considerable extent displacing denatured alcohol and glycerin.

The domestic production of ethylene and prophylene derivatives has been almost entirely by one firm having patents on the products. Ethylene glycol ranks among the leading industrial organic chemicals. Its total domestic consumption increased from 10,000 pounds in 1922 to 11,723,000 pounds in 1927.

Imports have been negligible under the present tariff law. Imports of ethylene glycol amounted to only 55 pounds in 1927 and about 1,500 pounds in 1926 and 1928.

In this instance production has been increasing enormously, largely because of the use of ethylene glycol as an antifreeze in automobile radiators, and the importations are negligible, being 55 pounds. It would seem, therefore, without question that the tariff ought to be reduced. The reduction I have proposed is most conservative, being from 6 cents a pound and 30 per cent ad valorem to 6 cents a pound and 20 per cent ad valorem.

Mr. SMOOT. Mr. President, I should like to ask the Senator from Mississippi, in connection with the amendment he has offered, what rate does he propose on the derivatives of this chemical? Does he want any change in the rates on the derivatives?

Mr. HARRISON. I am not asking for any change in the rates on the derivatives, but merely on ethylene glycol.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. BARKLEY. I contemplated offering an amendment striking out all of the language of this paragraph and inserting the language of the present law, which includes ethylene glycol at 6 cents a pound and 30 per cent ad valorem. Would it be in order for the Senator from Mississippi to offer his amendment as an amendment to that?

Mr. HARRISON. I will be very glad to take that course.

Mr. SMOOT. It seems to me that would be the best way in which to proceed.

Mr. HARRISON. If the Senator from Kentucky will offer his amendment, I withdraw mine and offer it as an amendment to his amendment.

Mr. BARKLEY. I move to strike out the entire paragraph and to insert the language which I ask the clerk to read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 3, after line 8, it is proposed to strike out paragraph 2 and insert in lieu thereof the following:

PAR. 2. Acetaldehyde, aldol or acetaldol, aldehyde ammonia, butyraldehyde, crotonaldehyde, paracetaldehyde, ethylene chlorohydrin, ethylene dichloride, ethylene glycol, ethylene oxide, glycol monoacetate, propylene chlorohydrin, propylene dichloride, and propylene glycol, 6 cents per pound and 30 per cent ad valorem.

Mr. LA FOLLETTE. Mr. President, I should like to suggest to the Senator from Kentucky that, according to the Summary of Tariff Information, the duty in the existing law which he now proposes to reinsert has practically prohibited any importations of these chemicals. According to the Summary of Tariff Information, the imports for 1928 were 4,472 pounds, valued at $803.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. BARKLEY. The prime object I had in offering the amendment was to eliminate the speculative commodities.

Mr. LA FOLLETTE. I understand that, and I am in entire sympathy with the purpose of the Senator's amendment.

Mr. BARKLEY. I am perfectly willing to modify it so as to carry the 6 cents per pound and 20 per cent ad valorem rate as proposed by the Senator from Mississippi in the case of ethylene glycol to all the products mentioned in the paragraph.

Mr. LA FOLLETTE. It seems to me that the Senator is absolutely justified in offering such an amendment, because many of the chemicals covered in the paragraph reported by the committee are in the laboratory stage and are not produced commercially at all. However, what I am suggesting to the Senator is that it seems to me the figures would indicate that there is a prima facie case here for a reduction of the rate under that in exisitng law upon the various chemicals included in the paragraph.

Mr. BARKLEY. I agree with the Senator.

Mr. LA FOLLETTE. And I should like to suggest to the Senator that he make his amendment conform to the rate provided by the Senator from Mississippi for ethylene glycol.

Mr. BARKLEY. I just said I was willing to modify the amendment so as to provide a rate of 6 cents a pound and 20 per cent ad valorem instead of 6 cents a pound and 30 per cent ad valorem, and I modify it to that extent.

The PRESIDING OFFICER. The Senator has that right. Does the Senator make that modification?

Mr. BARKLEY. I offer the amendment as thus modified.

Mr. HATFIELD. Mr. President, I can not quite understand what argument could be presented that would justify a reduction in the tariff on this particular article, especially in view of the fact that the age of this domestic product is about three years, that it was developed because of the encouragement resulting from conditions incident to the World War, and that there is a great demand for it in America.

Mr. President, ethylene glycol is made from natural gas and the lighter gases found in petroleum. It resembles glycerin. It is used in the manufacture of dynamite and as an antifreeze in automobiles. In the manufacture of ethylene glycol the plant and its products are absolute war essentials as the source of mustard gas, the most important element in chemical warfare.

Ethylene glycol is one of the many products covered by paragraph 2, all of them new, and for this reason international trade has not seriously begun. Hence, there are no important imports or exports. The example of the United States in producing these substances, especially ethylene glycol, is now being followed in other countries as a matter of war necessity.

The commodities embraced in paragraph 2 are of the highest commercial necessity. The capital investment has already approximated $50,000,000 in West Virginia, and competitive plants are being erected in other States. The business already developed is not as yet paying a return upon this investment.

Reference is made to the testimony on behalf of the Carbide & Carbon Chemical Corporation, of Charleston, W. Va., volume 1, Schedule 1, hearings before the Ways and Means Committee of the House of Representatives, page 205, and particularly to the brief of the Carbide & Carbon Chemical Corporation on page 213 of the same volume.

One of the very interesting peace-time developments in the chemical industry since the World War is the industrial manufacture and use of ethylene glycol and related products provided for in section 1, paragraph 2, of the pending tariff bill. Shortly after the outbreak of the war the Government approached the Union Carbide organization as to the possibility of manufacturing synthetically mustard gas. A scientific investigation by the chemists of that company disclosed that this poison gas could be readily produced by treating thio-di-glycol with hydrochloric acid. Both of these products are quite readily transportable, and the poison gas itself could be made near the scene of action.

However, the investigation also quickly showed that practically no work had been done outside of Germany toward production of the necessary raw material required for thio-di-glycol, namely, ethylene chlorhydrin. This substance—ethylene chlorhydrin—was apparently being produced at that time in commercial quantities in Germany as a basis for making thio-di-glycol and its conversion into mustard gas.

After considerable research and experimental work, the Carbide Co. perfected the technique of producing ethylene chlorhydrin in commercial quantities under cost conditions which permitted its subsequent conversion to thio-di-glycol by means of uniting the chlorhydrin with sodium sulphide. It was found that the most logical source of ethylene gas required for the ethylene chlorhydrin was the natural gas of West Virginia, and that the satisfactory operation of a chlorhydrin plant required the production of the material on a large commercial basis.

At the conclusion of the war, definite scientific steps were taken by the Carbide Co. in cooperation with the Chemical Warfare Service toward the development of a peace-time chemical industry which would utilize large quantities of ethylene chlorhydrin so that the material might be readily available for diversion to the production of thio-di-glycol when and if necessary. This program involved an initial expenditure of over $5,000,000 and could only be undertaken with considerable uncertainty as to the future commercial success of the peace-time products.

As a result of the interest upon the part of the Chemical Warfare Service and the protection wisely given this new industry at the time of the enactment of the present tariff act, this large expenditure was made and an intensive merchandising effort started to establish sufficient tonnage of peace-time products to warrant the maintenance of an ethylene chlorhydrin plant large enough to be of value to the Government for the production of mustard gas in the event of an emergency.

One of the principal products of this group is ethylene glycol, which is now manufactured and used extensively in the manufacture of explosives, in the automotive industry for antifreeze purposes, and so forth. The following data showing the increase

in yearly production of this product together with the decrease in selling price illustrate the satisfactory result of this effort to replace on a sound, business, peace-time basis this potential mustard-gas plant:

Production of ethylene glycol

(Tariff Information Series, Schedule 1, p. 29)

	Tonnage	Price
	Pounds	*Per pound*
1922	10,000	$1.00
1923	50,000	.75
1924	144,562	.65
1925	2,189,689	.50
1926	5,714,823	.40
1927	11,722,798	.30
1928	19,521,104	.27

The entrée of ethylene glycol as a commercially available product in the chemical field has created intense interest in practically every country where national defense is a matter of interest. As a result, there is a strong tendency upon the part of each such country to be self-contained with respect to peace-time maintenance and operation of an ethylene glycol plant as a potential source of mustard-gas production in the event of an emergency. As stated, this type of plant has been in operation in Germany by the German Chemical Trust—the I. G.—ever since the beginning of the war. An ethylene chlorhydrin plant is now being operated in England for the production of ethylene glycol by the Imperial Chemicals (Ltd.). Definite steps have been taken in France toward the establishment of a plant in that country. A recent Russian commission which visited this country stated that they were definitely interested in the product. The Japanese Government is now conducting an investigation as to the conditions under which such a plant can best be operated in Japan.

As the demand for ethylene chlorhydrin during a national emergency will in most countries be considerably greater than its demand for conversion into ethylene glycol and related products during peace time, the natural tendency upon the part of these different countries will be to encourage the erection of a plant larger than required for domestic peace-time operations, with the result that there will always be—as now exists upon the part of Germany and England—a strong desire upon the part of the various foreign countries to send their surplus peace-time production of ethylene glycol and other correlated products which can be produced by the same plant to this country, on account of its larger potential markets. Failure to protect our domestic markets against such importation would, of course, restrict the domestic manufacture of the products during peace time, was a definite detrimental effect on the current operation and future expansion of this industry so essential to national defense.

The price of ethylene dichloride in January, 1923, was $1.20 per pound. In October, 1928, it was $0.07 per pound.

Mr. President, this company began operations in West Virginia in 1926. Its product in 1926 was 2,000 tons; in 1927, 5,000 tons; and in 1928, 9,000 tons. Its profit in the years 1926, 1927, and 1928 was a total of $640,000. The investment is $15,000,000. The profit for the three years was a total of 4.26 per cent, or an average of 1.42 per cent per year.

I submit to this body this evidence as a justification of the continuation of the present tariff rate. To ask men to invest their money to the extent of $15,000,000, which was encouraged by the Federal Government, and then to turn around, before any substantial return had been made upon this investment, and bring them in competition with like industries beyond the sea and practically destroy them, I believe is unpatriotic; nor do I believe the Senate will want to do it when it understands the facts in the case.

Mr. BARKLEY. Mr. President, I desire to add just a word to what the Senator from Mississippi [Mr. HARRISON] stated at an earlier time with reference to the amendment which he offered to ethylene glycol.

These ethylene and propylene gases are derived from certain petroleum cracking processes. Ethylene chlorohydrin is obtained by the chlorination of ethylene, and is an intermediate product in the synthesis of the other ethylene derivatives.

The principal uses of ethylene glycol, which is somewhat similar to glycerin, are as a partial substitute for glycerin in the manufacture of dynamite, as the Senator from West Virginia [Mr. HATFIELD] has stated. It is also used very largely now in the manufacture of antifreeze liquids for the purpose of winter use in automobiles as a substitute for alcohol, which, from my own experience, I will say are more efficient and less calculated to damage the automobile than the use of alcohol. I am not undertaking to advertise this product, but it is true.

Mr. HATFIELD. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from West Virginia?

Mr. BARKLEY. I yield.

Mr. HATFIELD. That is very true. It evaporates less and is more efficient than glycerin, because glycerin blocks up the radiator, so that it is necessary to have it boiled out occasionally. This seems to be a very fine article as an antifreeze liquid to be used in the radiators of automobiles.

Mr. BARKLEY. Undoubtedly that is true.

So far as domestic production is concerned, it seems to me that the present rate has fostered a very miraculous expansion of this business. The domestic production of ethylene and propylene derivatives increased from 10,000 pounds in 1922 to 11,723,000 in 1927.

Mr. SMOOT. And if the Senator will refer back to 1921 he will find it has increased even more than that, because they did not have any then.

Mr. HATFIELD. They did not have a bit.

Mr. BARKLEY. And the imports were nothing. In 1927 we imported only 55 pounds.

Mr. HATFIELD. They were just being projected then.

Mr. BARKLEY. And in 1928 the imports were only 1,500 pounds. So that when we compare the 1,500 pounds with a domestic production of 11,723,000 pounds, it strikes me that this reduction is justified. The rate now runs up as high as 74 per cent, and in view of the universal use of this product as one of the necessaries connected with the automotive industry, I think this reduction is justified.

Mr. HATFIELD. In the face of the financial statement as to the earnings made by this company?

Mr. BARKLEY. I am not in a position to question the financial statement; but that financial statement certainly is not due to imports, because if we are importing only 1,500 pounds as against 11,723,000 pounds it certainly is not attributable to competition from abroad.

Mr. HATFIELD. That is very true; it is due to the investment. A like investment has been going on abroad, and the next few years will tell the story so far as competition goes.

Mr. BARKLEY. I do not care to discuss the matter any further.

The PRESIDING OFFICER. The question is upon agreeing to the amendment proposed by the Senator from Kentucky [Mr. BARKLEY].

Mr. HATFIELD. I ask for the yeas and nays.

Mr. SMOOT. Let us have the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. SCHALL (when Mr. SHIPSTEAD's name was called). My colleague [Mr. SHIPSTEAD] is unavoidably absent. If present, he would vote "yea."

Mr. STEIWER (when his name was called). On this vote I have a special pair with the senior Senator from New Mexico [Mr. BRATTON]. In his absence, not knowing how he would vote, I withhold my vote. If I were permitted to vote, I would vote "nay."

Mr. PHIPPS (when Mr. WATERMAN's name was called). Making the same announcement as to my colleague's pair, I desire to state that if he were present he would vote "nay."

Mr. WHEELER (when his name was called). I have a general pair with the junior Senator from Connecticut [Mr. WALCOTT]. If he were present, I understand he would vote "nay." I transfer my pair to the senior Senator from Nevada [Mr. PITTMAN] and vote "yea."

The roll call was concluded.

Mr. DALE. I have a general pair with the junior Senator from Massachusetts [Mr. WALSH], and, therefore, I withhold my vote.

Mr. NYE. Upon this question my colleague the senior Senator from North Dakota [Mr. FRAZIER] is paired with the senior Senator from Delaware [Mr. HASTINGS]. If those Senators were present, my colleague would vote "yea," and the Senator from Delaware would vote "nay."

Mr. GLENN. Making the same announcement as on the last vote, I vote "nay."

Mr. FESS. I desire to announce the general pair of the senior Senator from Pennsylvania [Mr. REED] with the senior Senator from Arkansas [Mr. ROBINSON].

The result was announced—yeas 38, nays 41, as follows:

YEAS—38

Barkley	Blease	Brookhart	Connally
Black	Borah	Capper	Couzens
Blaine	Brock	Caraway	Cutting

Dill	Howell	Overman	Swanson
Fletcher	La Follette	Schall	Thomas, Okla.
George	McKellar	Sheppard	Tydings
Glass	McMaster	Simmons	Walsh, Mont.
Harris	Norbeck	Smith	Wheeler
Harrison	Norris	Steck	
Heflin	Nye	Stephens	

NAYS—41

Allen	Greene	McNary	Smoot
Baird	Hale	Metcalf	Sullivan
Bingham	Hatfield	Moses	Thomas, Idaho
Copeland	Hawes	Oddie	Townsend
Deneen	Hebert	Patterson	Trammell
Fess	Johnson	Phipps	Vandenberg
Gillett	Jones	Pine	Wagner
Glenn	Kean	Ransdell	Watson
Goff	Kendrick	Robinson, Ind.	
Goldsborough	Keyes	Robsion, Ky.	
Gould	McCulloch	Shortridge	

NOT VOTING—17

Ashurst	Grundy	Reed	Walsh, Mass.
Bratton	Hastings	Robinson, Ark.	Waterman
Broussard	Hayden	Shipstead	
Dale	King	Steiwer	
Frazier	Pittman	Walcott	

So Mr. BARKLEY's amendment was rejected.

Mr. HARRISON. Mr. President, I want to reduce the rate from 6 cents per pound and 30 per cent ad valorem on ethylene glycol and its derivatives to 6 cents per pound and 20 per cent ad valorem. Consequently I move, on page 3, line 14, to strike out "ethylene glycol" and at the bottom of the paragraph to insert the language I send to the desk.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 3, paragraph 2, line 14, the Senator from Mississippi proposes to strike out the words "ethylene glycol," and in line 24, before the period, to insert a semicolon and the following words:

Ethylene glycol, 6 cents per pound and 20 per cent ad valorem.

Mr. HARRISON. Mr. President, this matter has been discussed. The amendment applies merely to ethylene glycol and its derivatives.

Mr. SMOOT. Mr. President, I have no intention of discussing the amendment. Let the vote be taken.

Mr. BARKLEY. Mr. President, I want to offer as an amendment the provision in the present law, with the present rate carried in this paragraph. The vote we had a while ago was on a reduction below the 30 per cent to 20 per cent on all the articles in the paragraph, including the one mentioned in the amendment offered by the Senator from Mississippi. Will it be in order to offer an amendment to insert the provision of the present law and at the end of that to carry the amendment of the Senator from Mississippi?

The VICE PRESIDENT. That would be in order.

Mr. SMOOT. One vote would be sufficient.

Mr. BARKLEY. So as to leave the law as it is at present as to all the articles in the present law except ethylene glycol, and provide that that should bear the rate suggested by the Senator from Mississippi.

Mr. SMOOT. To have the law as it is at present, except as suggested by the Senator from Mississippi in his amendment.

Mr. BARKLEY. Yes. I offer that amendment.

The VICE PRESIDENT. Let the amendment be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 3 the Senator from Kentucky proposes to strike out all of paragraph 2 and to insert the present law, reading as follows:

PAR. 2. Acetaldehyde, aldol or acetaldol, aldehyde ammonia, butyraldehyde, crotonaldehyde, paracetaldehyde, ethylene chlorohydrin, ethylene dichloride, ethylene glycol, ethylene oxide, glycol monoacetate, propylene chlorohydrin, propylene dichloride, and propylene glycol, 6 cents per pound and 30 per cent ad valorem.

And to add at the end thereof the words:

Ethylene glycol, 6 cents per pound and 20 per cent ad valorem.

Mr. SMOOT. I ask for the yeas and nays.

Mr. BARKLEY. Mr. President, I merely wish to state that the difference between this and the amendment voted on a while ago is that in that amendment there was a reduction from the ad valorem rate of 30 per cent to 20 per cent. This carries the same rate now in the law but eliminates a lot of these laboratory speculative commodities which are not being produced at all commercially in this country and which have been thrown in here regardless of that fact and bearing this high rate.

Mr. SMOOT. Mr. President, I can not quite agree with the broad statement the Senator has made. I am sure the Senator, after further consideration, would not make so broad a statement.

Mr. BARKLEY. Most of the products that have been added are in the process of laboratory investigation. They are not being produced.

Mr. HATFIELD. Mr. President, will the Senator from New York yield to me?

Mr. COPELAND. I yield.

Mr. HATFIELD. I wish to say for the information of the Senator that 30 different articles are derived from the manufacture of this hydrocarbon group.

Mr. SMOOT. At least that.

Mr. HATFIELD. At least 30.

Mr. COPELAND. Mr. President, I can see how this schedule might have been divided into two brackets, but making this provision in the law will result, I fear, in the cessation of the very laboratory experiments of which the Senator from Kentucky speaks. If there is to be no benefit to our people from the adoption of the amendment, I can see no reason for taking the hazard of interfering with legitimate investigations now going on.

Mr. LA FOLLETTE. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Wisconsin?

Mr. COPELAND. I yield.

Mr. LA FOLLETTE. What makes the Senator feel that it will interfere with these investigations if these products are not produced in this country, if when they are produced in this country the producers of them may go before the Tariff Commission, whichever flexible plan is adopted finally in the bill? To put a high duty on these products before there is any domestic production on a commercial scale seems to me a very strange manner in which to enact a tariff law.

Mr. COPELAND. Mr. President, I agree with what the Senator has said about these particular articles. If somebody will take this paragraph and divide it so as to cover in one part those articles which are being made and in another those which would come under such an arrangement as the Senator from Wisconsin speaks of, I would have no objection to voting for such an arrangement, but my fear is that if we legislate in this haphazard way we may be putting obstacles to the progress which is now being made in the development of this industry.

Mr. SMOOT. Mr. President, there is no industry in the United States in the development of which there is a greater prospect of discovery than in this very industry. There is no activity in which there have been so many discoveries since the enactment of the last tariff law as we find in the case of the chemical industry. It seems to me we must put the articles in a basket clause or directly name the commodities if we are to take care of everything. Where any of the remarkable discoveries being made relate to any article that falls in paragraph 2, they fall in this paragraph naturally and necessarily. If we are to go on with the discovery of new chemicals, the parties who are to put up the money, the parties who are laboring to bring about developments, the parties who are going to try to manufacture them ought to have some kind of protection. I think it would be impossible to frame the language so that they would not receive the benefit. It is true, furthermore, that the President has the power of increasing rates 50 per cent. That may not cover a product that perhaps would cost us $10 an ounce or $10 a pound or 5 cents a pound or 5 cents an ounce. I think it can be covered generally.

Mr. BARKLEY. Mr. President, will the Senator from New York yield?

Mr. COPELAND. I yield.

Mr. BARKLEY. I appreciate the fact that probably an effort to divide this paragraph into two paragraphs, so as to eliminate those things which are not being produced in the United States, would be a more scientific way to arrive at the object desired, and if the Senator from Utah will agree that after further investigation, if it may seem desirable, I may offer such an amendment, I may be willing to withdraw my amendment and allow the amendment offered by the Senator from Mississippi to be adopted, and look further into this paragraph, with a view to trying to get it straightened out in the future.

Mr. LA FOLLETTE. Mr. President, I wish to point out that I fail to see upon what basis or theory the Finance Committee or any other committee may provide a rate of duty in advance for a product which is not produced in the United States in commercial quantities. Talk about being unscientific; that certainly is a leap in the dark, and if the Senate of the United States is going to adopt the policy of affording protection to articles that may be produced in the future, we certainly have surpassed all the dreams of the superprotectionists who have ever lived.

Mr. SMOOT. The products that are discovered between the passage of one tariff bill and the consideration of the next one generally fall in the basket clause. That is necessarily so; otherwise there would be no provision for their coming in free or under a duty.

Mr. COPELAND. Mr. President, does not the Senator from Wisconsin agree that the suggestion made by the Senator from Kentucky [Mr. BARKLEY] is a reasonable one? Some one will go over the schedule and divide it into two parts, into those chemicals where there is no need of protection and into those where there is need of protection. If we go over this matter in a haphazard way and make some general provision we may do the chemical industry great harm, and I know the Senator does not desire that. But if some one will make the proposed study and divide the paragraph in the way suggested, I believe there can be brought in an amendment that will serve the purpose of all of us.

Mr. BARKLEY. The mere division of the paragraph may not be the solution. The solution, in my opinion, is in the elimination of articles in the paragraph not now being produced here. It is a conglomeration of scientific terms which require considerable investigation to determine which part of them and to what extent they should be eliminated.

Mr. SMOOT. As far as I can, I will accept the suggestion of the Senator that we vote on paragraph 2 with the amendments of the Senator from Mississippi.

Mr. BARKLEY. That is, with the understanding that after further investigation I may offer an amendment to the paragraph to accomplish the purpose we have in mind?

Mr. SMOOT. I have no objection to that.

The PRESIDING OFFICER (Mr. BINGHAM in the chair). The question now is on agreeing to the amendment of the Senator from Mississippi. The Senator from West Virginia [Mr. HATFIELD] is recognized.

Mr. HATFIELD. Mr. President, for the information of the Senate I beg to suggest that there are many of these new elements which are just in the process of being placed upon the market. The life of the hydrocarbon group of chemicals is just begun; they are just in their infancy. No one can forecast what the future may have in store in the way of additional developments. Some of the members of the newer groups are butyraldehyde, crotonaldehyde, paracetaldehyde, and paraldehyde.

Paraldehyde is a great drug, and is one that has been recently produced. It has become a member of the hydrocarbon family, which is almost indispensable in the practice of surgery and medicine. It is that drug which, when combined with ether and olive oil, produces twilight sleep. It is that combination which enables the surgeon, by rectal anesthesia, to perform without shock extensive and long operations lasting for hours, and after the operation has been accomplished or perfected the patient still lies in a state of analgesia, or semiconsciousness, passing through the period of shock and through the period of pain for a time, possibly 24 hours, awakening as if from a refreshing sleep. This discovery has eliminated morphine, codeine, and like narcotic chemicals, thereby preventing the individual from being subjected to the possibilities of the drug habit. The ramifications of these drugs and their future, as I stated in the beginning, can not be forecast at the present time. The great work that has been done and that has been accomplished by the Chemical Foundation supports these contentions.

These products are included in the group of aliphatic chemicals and are derivatives of the better-known hydrocarbons, ethylene, propylene, and acetylene. Within the past decade they had for the most part been produced in a small way and were generally considered as laboratory curiosities. As a result of many years of research and the expenditure of very large sums of money synthetic methods of preparation were evolved which would permit of their commercial production, provided uses could be found which would allow large-scale manufacture.

How much encouragement will there be to the chemists of our country to develop these new products if they are brought in competition with the chemical industry beyond the sea which makes impossible the development of the products other than through a continued financial loss, as has been the experience of the past?

Necessarily the financing of such an undertaking required unusual foresight and courage, since the preparation of these compounds indicated that they must compete with products more readily available, already established and obtainable at prices considerably lower than those at which these synthetic products could be produced on other than a volume basis. It was evident that years of research on their commercial applications, the expenditure of a great amount of sales effort, and operation for a long period of time with financial loss would be required before this enterprise could become self-sustaining.

This was and continues to be the case. Technical assistance must be given to effect their adoption; large quantities distributed without charge for experimental work; research continued to determine new outlets, and the efforts of specialized technical men devoted to their introduction. Such an investment requires protection.

In general, these products can not be said to be substitutes for other chemicals heretofore available but rather to fill a place which had not been taken or a demand which could not be supplied by the other chemicals obtainable. Ethylene glycol, for example, is largely used in the manufacture of explosives. That the United States does not produce sufficient glycerin to take care of its domestic requirements is indicated by the importation of 13,666,006 pounds of crude and 8,288,504 pounds of refined in 1927 and 4,009,248 pounds of crude and 4,238,103 pounds of refined in 1928. Exports were practically nil.

To be used in explosives, ethylene glycol must be available at a price within the range of the easily determinable value it contributes to dynamite in contrast to glycerin. To do so it must be produced in large quantities. To introduce duty-free ethylene glycol of foreign manufacture, produced where labor and consequently manufacturing costs are considerably lower than in the United States, would result in decreased domestic production, with higher manufacturing costs and great financial loss and the ultimate transfer of the business to Europe.

The ethylene derivatives in this schedule are interrelated in a productive sense, and the cost of manufacture of one is dependent upon the cost and consequently the volume of the other compounds produced. Ethylene chlorhydrin, the starting point in the manufacture of practically all the ethylene derivatives must be protected in order to give protection to other products of greater commercial value. The same may be said of ethylene oxide. To permit their introduction duty free would jeopardize the domestic production of the entire group of ethylene derivatives.

The propylene derivatives are equally interdependent, and that which has been said of the ethylene derivatives applies equally to the compounds of propylene.

The value of a domestic source of ethylene glycol to our country in time of war can not be overestimated.

Ethylene chlorhydrin may be used for the manufacture of mustard gas, and the advantage of a domestic source of this product in time of war requires consideration.

The commercial manufacture of acetaldehyde, paraldehyde, aldol, crotonaldehyde, and butyraldehyde, acetylene derivatives, has contributed in great measure to the rubber industry in making available chemicals from which accelerators for the vulcanization of rubber can be synthesized. By accelerating the vulcanization of rubber, lower manufacturing costs of rubber products have been made possible with lower prices, and consequent benefit to all. Here again is an industry which requires volume production for its existence, and consequently protection from foreign invasion.

Previous mention has not been made of the economic necessity of protecting these products. However, it need only be said that upwards of $25,000,000 is invested in these products and several hundred men and women are employed. Their production also requires the consumption of quantities of such other chemicals as chlorine, sulphuric acid, caustic soda, lime, and so forth, the consumption of which would be materially affected by the introduction of finished products from foreign countries.

Climatic conditions in the United States require that means be taken to prevent the freezing of dynamite by the use of nitropolyglycerin, or ethylene glycol dinitrate, and to prevent the freezing of automobile radiators by the use of alcohol, glycerin, ethylene glycol, or some antifreeze preparation. No other country can compare with the United States in the volume of dynamite or antifreeze consumed.

The automobile industry requires tremendous quantities of rubber. No other country compares with the United States in the volume of rubber accelerators produced and consumed. The lacquer industry has developed to a greater extent in the United States than in other countries and the ethylene and propylene derivatives have found the place in this field. None of these industries should be left at the mercy of European chemical cartels.

With a market for the derivatives of ethylene, propylene, and acetylene established through the efforts of American industry, foreign producers are already looking to the United States as the largest outlet for their production and will continue to endeavor in every possible way to enter this market.

Continued production of these compounds and correspondingly low prices can only be assured through proper protection. It is essential, therefore, that the duty of 6 cents a pound and 30 per cent ad valorem, as contained in the 1922 tariff act and recommended in the 1929 bill, by both the Ways and Means and the Finance Committees, be retained.

Mr. President, I feel that I know just a little bit more about this industry than the rest of my colleagues because of its loca-

tion near the capital of my State, at Charleston, W. Va. I do hope that Members of the Senate will give serious consideration to the statement I have made; that they will consider the returns in the way of money received from the manufacture of these products and the money that has already been invested, which, together with that soon to be invested, aggregates between $60,000,000 and $75,000,000. I hope Members of the Senate will also consider the development which involves the diversion of the New River, which takes its beginning in North Carolina, flows down through the mother State of Virginia, joining the Great Kanawha near the capital of my State, where it is to be deflected into the Gauley, which has its source in the lofty mountain peaks of West Virginia. Near the point of union of these two rivers a tremendous dam is in contemplation for the purpose of furnishing cheap electrical current, from which carbide is to be made in competition, we hope, with the carbide industry of Canada, the carbide industry of Norway, and the carbide industries of other countries.

So, Mr. President, I am appealing to the Senate that this industry may be encouraged in its ambition to go forward and develop until it shall become second to none and result in the development of cheaper water power for the purpose of making the basic product from which all these derivatives come.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Mississippi [Mr. HARRISON]. [Putting the question.] The Chair is in doubt.

Mr. HATFIELD. I demand the yeas and nays.

The PRESIDING OFFICER. The yeas and nays are demanded.

Mr. BARKLEY. Mr. President, a parliamentary inquiry. I understood the Senator from Utah to accept this amendment.

Mr. SMOOT. I said that, so far as I was concerned, I would accept it, and let it go to conference, but if the Senator from West Virginia desires a yea-and-nay vote, let us have such a vote.

Mr. HATFIELD. I should like to have the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. NYE (when Mr. FRAZIER's name was called). Mr. colleague [Mr. FRAZIER] is unavoidably absent. He is paired with the senior Senator from Delaware [Mr. HASTINGS]. If he were present and voting, my colleague would vote "yea," and if the Senator from Delaware were present and voting he would vote "nay."

Mr. STEIWER (when his name was called). On this vote I am paired with the senior Senator from New Mexico [Mr. BRATTON]. In his absence I withhold my vote. If I were permitted to vote, I should vote "nay," and I understand the Senator from New Mexico, if present, would vote "yea."

The roll call was concluded.

Mr. WHEELER. I have a pair with the junior Senator from Connecticut [Mr. WALCOTT]. I transfer that pair to the Senator from Nevada [Mr. PITTMAN] and will vote. I vote "yea."

Mr. GLENN. Making the same announcement as on the last roll call concerning my pair and its transfer, I vote "nay."

Mr. SCHALL. I wish to announce that my colleague [Mr. SHIPSTEAD] is unavoidably absent.

Mr. BINGHAM. My colleague the junior Senator from Connecticut [Mr. WALCOTT], who is unavoidably absent, has a pair with the junior Senator from Montana [Mr. WHEELER]. If present, my colleague would vote "nay."

Mr. FESS. I desire to announce the general pair of the senior Senator from Pennsylvania [Mr. REED] with the senior Senator from Arkansas [Mr. ROBINSON].

Mr. SHEPPARD. I desire to announce that the Senator from Washington [Mr. DILL] and the Senator from New York [Mr. WAGNER] are detained on official business.

I wish also to announce that the Senator from Massachusetts [Mr. WALSH] is necessarily detained from the Senate. He is paired with the Senator from Vermont [Mr. DALE].

The result was announced—yeas 32, nays 43, as follows:

YEAS—32

Barkley	Copeland	La Follette	Simmons
Black	Couzens	McKellar	Smith
Blaine	Cutting	McMaster	Steck
Blease	Fletcher	Norbeck	Stephens
Borah	George	Norris	Swanson
Brookhart	Glass	Nye	Thomas, Okla.
Caraway	Harrison	Overman	Walsh, Mont.
Connally	Kendrick	Sheppard	Wheeler

NAYS—43

Allen	Fess	Hale	Kean
Baird	Gillett	Hatfield	Keyes
Bingham	Glenn	Hawes	McCulloch
Brock	Goff	Hebert	McNary
Broussard	Goldsborough	Heflin	Metcalf
Capper	Gould	Johnson	Moses
Deneen	Greene	Jones	Oddie
Patterson	Robsion, Ky.	Sullivan	Tydings
Phipps	Schall	Thomas, Idaho	Vandenberg
Pine	Shortridge	Townsend	Watson
Robinson, Ind.	Smoot	Trammell	

NOT VOTING—21

Ashurst	Harris	Ransdell	Walcott
Bratton	Hastings	Reed	Walsh, Mass.
Dale	Hayden	Robinson, Ark.	Waterman
Dill	Howell	Shipstead	
Frazier	King	Steiwer	
Grundy	Pittman	Wagner	

So Mr. HARRISON's amendment was rejected.

Mr. BARKLEY. On page 4, line 2, I move to strike out "25" and insert "20."

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. In paragraph 3, on page 4, line 2, after the word "oil," it is proposed to strike out "25" and insert "20," so as to read:

PAR. 3. Acetone and ethyl methyl ketone, and their homologues, and acetone oil, 20 per cent ad valorem.

Mr. SMOOT. Mr. President, I wish to call attention to the fact that the amendment offered by the Senator from Kentucky proposes a reduction in the rate provided by the present law. The rate under the present law is 25 per cent ad valorem, and the Senator from Kentucky, by his amendment, proposes to reduce that rate to 20 per cent ad valorem.

Mr. BARKLEY. Mr. President, the reason why I offer the amendment is that in 1923 we produced 11,000,000 pounds and in 1928 we produced 24,000,000 pounds. The imports in 1928 were 38,000 pounds, compared to a total production of 24,000,000 pounds, and, in addition to that, we exported 4,959,000 pounds of the same commodity. Now, certainly a commodity that is able to export about one-fourth of its entire domestic production as against practically no importations whatever is not suffering and will not suffer from a rate of 20 per cent ad valorem.

In the Tariff Commission's report they have this to say about competitive conditions:

Competition from imports is practically negligible. The United States requirements are supplied almost entirely from fermentation of corn, butyl and ethyl alcohol being produced at the same time. Increasing production of butyl alcohol results in an increased output of acetone. The ratio of the fermentation products from corn is butanol, 6; acetone, 3; and ethanol, 1.

That is more or less technical, which it is not necessary to go into details about; but the Tariff Commission in its report found that there is practically no competition whatever; and with imports of only 38,000 pounds, as compared to exports of practically 5,000,000 pounds, it seems to me a decrease from 25 to 20 per cent ad valorem is justified.

Mr. HAWES. Mr. President, I must confess that the different rates of this schedule cause me some mental confusion. I believe they have the same effect upon most of us; but there are one or two things that are perfectly clear.

The chemical industry is a new industry in America. We have found that it is necessary in time of war; and its success depends largely, almost entirely, upon experiments. These experiments are conducted by chemists, trained men that we are beginning to develop in this country. We did not have them before. They are moving forward.

While occasionally I may make a mistake as to a rate, and probably have done so, I should like to keep in my mind at least the thought that the advance in chemicals in the United States should keep pace with discoveries in Europe.

To show you how large the chemical business is becoming and how it is scattered throughout America, not confined to the Atlantic seacoast, I should like to have the clerk read a report from Chemical Markets, published in January of this year. It will show the diversity of these manufactures and the great advance that this industry is making in the United States.

The VICE PRESIDENT. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

[From Chemical Markets for January, 1930]

AMERICAN CHEMICAL INDUSTRY PASSES INTO A NEW TECHNICO-FINANCIAL ERA DURING 1929

New processes, new plants, new mergers indicate during 1929 the beginning of a new economic era for the American chemical industry.

The postwar readjustments are over. The balance has been struck again between production and consumption. Chemical prices are no longer made by distressed sellers, but are once more governed by true costs. Technical skill and efficient management are thus restored to their proper place as the controlling factors in chemical competition.

This readjustment to the new economic conditions has been slowly and painfully accomplished, partly by the scrapping of surplus, war-built plant capacity, partly by consolidations among chemical producers,

and in part, too, by the growth of chemical-consuming industries and by the birth of new consumers in the fields of rayon, lacquers, refrigeration, fertilizers, plastics, the radio, and the airplane. The modern chemicalization of industry—that is to say, the use of chemical energy and the employment of chemical substitutes for natural raw materials—has opened up vast new markets for the chemical manufacturer, new opportunities for the chemical technician. At the threshold of this new industrial phase, the American chemical industry most fortunately finds itself placed ready and able to render the important economic service of supplying modern civilization's insatiable demands for more and better and cheaper raw materials.

DOWNWARD PRICE TREND

Firm prices and the increasing willingness of large buyers to sign contracts for their annual requirements of chemical materials evidence this return to stability upon the new basis. But the most significant indicator of all is the fact that the important price changes of the last couple of years have been downward under the influence of lower costs due to improved technique.

Phenol, methanol, aniline oil, certain phosphorus compounds, aluminum chloride, lactic acid, furnish notable examples of lower prices resulting from new processes. Increased production has exerted a downward pressure upon the price of chlorine, ammonia, calcium chloride, and borax. Among such groups as the solvents, the plasticizers, and the rubber accelerators, both new processes and new products have been developing with a bewildering rapidity that has had marked effects upon the markets. Such price reductions as amyl alcohol from $2.25 to $1.65 a gallon, ethylene glycol from 40 cents to 25 cents a pound; diphenylguanidine from 72 cents to 30 cents a pound measure rather graphically the commercial results of technical advances.

NEW TECHNIQUE IN AN OLD INDUSTRY

Naturally the effects of improved chemical technique are felt most among the new industries. Especially is this true in lacquer manufacture where we still find endless experiment with formulæ. However, these chemical developments touch the older industries also, as indeed the very oldest of all chemical process industries proves. Borax at half its former price has increased its consumption by some 15 per cent, and the bulk of this increase has certainly gone into the glass pots. Here cheap borax has made possible new types of glass and so cut the costs of the tougher, more brilliant glass as to make possible competition with porcelain in electrical work, with marble and tiles as a building material, and bringing fine household glassware even down to the counters of our 5-and-10 cent stores.

During the year the petroleum industry has seen two chemical developments of importance. The perfection by the Gulf Refining Co. of a process for the direct production of aluminum chloride from bauxite is a clever piece of chemical work which promises great economies. The introduction at the Bayonne plant of the Standard Oil Co. of New Jersey, of the German process for the hydrogenation of the heavy oil distillates has great possibilities in new products and threatens curtailment of the vast consumption of sulphuric acid in gasoline refining. In this same connection it is to be noted that in spite of—or possibly because of—a three-cornered patent fight between the Monsanto, Selden, and General companies many sulphuric acid plants are being equipped with vanadium catalyst contact process.

ADVANCES IN CHEMICAL FERTILIZERS

Meanwhile the chemicalization of the fertilizer industry is advancing rapidly. January, 1929, saw the first shipment of American-made synthetic nitrate of soda from the Hopewell works of the Allied Chemical & Dye Corporation. The treatment of acid phosphate with ammonia is spreading, pushed by the two largest sellers of ammonia. This new outlet is opportune, for with the increased output of synthetic ammonia by the Du Ponts, there is a prospective overproduction. Superphosphate tends constantly to higher concentrations. The 45 per cent material is offered on the market and American Cyanamid is building a plant near its phosphate rock property at Plant City, Fla., where, so it is rumored, 60 per cent superphosphate will be made. Several other of the phosphate-producing companies are working on chemical outlets in the various calcium and ammonium salts, while the International Agricultural Co. is building a new complete fertilizer factory at Texarkana, Ark. The Federal Phosphorus Co. has recently invaded the fertilizer field with a diammonium phosphate mixture of higher plant-food content (67 per cent) than the German nitrophoska. Quite recently the Shell Chemical Co. (subsidiary of Royal Dutch-Shell interest) has announced plans for a $5,000,000 nitrogen fixation plant at Long Beach, Calif., to operate a Haber-Bosch process. It is proposed here to recover the hydrogen evolved in the manufacture of carbon black from the natural gas of the near-by oil fields.

PACIFIC COAST DEVELOPMENTS

There have been other interesting chemical developments on the Pacific coast. Two new electrolytic alkali plants have been completed this year. Both are situated at Tacoma, Wash., with an eye on the growing market for chlorine in the paper mills of the Northwest; and although the Pennsylvania Salt Co. has only made trial runs, the Hooker Electrochemical Co. is reported to be running at capacity. These new plants and the activity at the Pacific coast operations of the Stauffer and the General Chemical Cos. is tangible evidence of the industrial expansion of the far West.

During the year just past there have been certain significant increases in our American chemical production. Carbon bisulfide, hydrogen peroxide, borax, citric acid from the new fermentation process of Charles Pfizer & Co., aluminum chloride and aluminum sulphate, both by new processes and direct from bauxite, have all been notably increased. However, the most profound changes have been in the synthetic manufacture of wood distillation chemicals, a field in which for many years American natural products have been important factors in world commerce. The output of synthetic acetic acid begun in 1928 by the Niacet Chemical Co. at Niagara Falls has been increased during 1929, and it has been joined by the synthetic manufacture of acetone and methanol. The acetone development was undoubtedly stimulated by the demands of the rayon industry, while the methanol operation is predicated upon by a product process in the manufacture of anhydrous ammonia with the commercial objective of greatly extending the consumption by lower prices. The Du Pont operation in West Virginia contemplates an output of 6,000,000 gallons of pure methanol, which is about a third larger than the total production of refined material of all grades prior to 1925 when the first synthetic material came into the market. This quantity of methanol, it must be remembered, is entirely additional to the considerable synthetic production of the Commercial Solvents Corporation, and will compel an entirely new economic equilibrium. As an example of the far-reaching effects, the lower price of methanol will mean a lower price for formaldehyde, which, combined with the lower price of phenol, will be reflected in phenolic resins, promising a greater consumption, which, in turn, will create bigger demands for tar acids, natural products for which no suitable substitute is available. If the price of cresylic acid should advance, in response to this demand, it might coax our steel industry into stripping their coke-oven gases before burning them, as is their present wasteful practice.

PROGRESS IN PLASTICS

The increased use of various phenolic resins has been accompanied by other interesting developments in this plastics field. The phthalic molded products have come forward rapidly. The glyptal resins are invading the lacquer field in competition with nitrocellulose. There is accordingly not only additional use of dibutyl phthalate as a plasticizer, but also of diethyl phthalate as a solvent. In the many new uses of the various plastics, an automobile body of this molded material is perhaps the boldest and most suggestive experiment recently undertaken.

Among chemical raw materials sulphur and zinc stand out during the year just passed. A new sulphur dome has been brought into production by the Duval Texas Sulfur Co., which has already begun export shipments to several European countries. Electrolytic zinc, produced by the Tainton high-density current process, is on the market from the Hecla operation in Idaho. This has a capacity of 50 tons daily, with handling equipment ready to care for twice this amount simply by expanding the cells and roasting capacity. A similar plant is building at Monsanto, Ill., for the Evans-Wallower interests to operate on ore from the Joplin district. Comparative economics of these two are interesting—the power cost in Idaho of about half what it is in Missouri, balanced against a ready market for sulphuric acid in the St. Louis district.

Mr. HAWES. Mr. President, I sympathize with the efforts of some of the Senators in opposing these amendments. They may be right about it, and I may be wrong, but the subject is so technical, it is so complicated, and the record of the development of this industry shows that it has been so enormous, that it ought to be a pride to the Nation that in 10 years the United States has made this development in competition with the whole world.

Realizing that I may make a mistake in casting some of my votes, not understanding the niceties of the distinctions, I believe that I serve the best interests of my State and my Nation in casting a vote to preserve the chemical industry from assault from without.

Mr. BARKLEY. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Kentucky?

Mr. HAWES. I yield.

Mr. BARKLEY. The particular amendment which is now pending is to reduce the tariff on acetone from 25 per cent ad valorem to 20 per cent. There are produced in the United States 24,000,000 pounds a year; there are exported 5,000,000 pounds a year, and 38,000 pounds are imported. In all sincerity, I ask the Senator from Missouri whether those facts as to this particular item do not justify a reduction of at least 5 per cent ad valorem in this tariff?

Mr. HAWES. On that phase of it, I will say to the Senator from Kentucky, they do; but when it comes to chemicals, I yield to the opinion of a man learned in medicine, learned

in the subject of chemicals, who is opposing the Senator's position in the matter, and being in doubt, I want to resolve the doubt in favor of a great new enterprise that has attained such national importance.

Mr. BARKLEY. Mr. President, of course I do not know the identity of the great chemist upon whom the Senator is relying; I do not know whether he has advised the Senator on the chemical schedule generally, in general terms, or whether he has picked out each particular item; but I dare say that, whoever he is, he could not dispute the facts which I have just stated, which I have obtained from the Tariff Commission's impartial investigation of this particular item.

I am entirely in sympathy with the development of the chemical industry in this country. I am informed by reliable men who are familiar with the chemical industry that in the very near future the American chemical industry will be able to maintain itself without any tariff whatever, and when that time comes I think we ought to adjust the tariff accordingly. But as to the particular item now before the Senate, it certainly has already arrived at that point, so that we are not only upon a self-sustaining basis from a domestic standpoint, but we are upon a self-sustaining basis from the standpoint of exports, exporting to other countries one-fourth of the entire production and importing nothing. It seems to me that with a showing of that sort if we can not reduce the tariff on this particular item it is perfectly idle for subcommittees to go into the chemical or any other schedule, it is perfectly idle to stand here and offer amendments, because if we can not carry an amendment on a basis of this sort, then, so far as I am concerned, I have no disposition to waste the time of the Senate any further talking about the particular items in this chemical schedule. I will say this, that after studying and working on the subcommittee inquiring into this schedule I am convinced that there are more concealed iniquities in the chemical schedule, because of its technicality, because of the difficulty of understanding it, than in any other schedule in the entire tariff bill.

What I am undertaking to do is to try to relieve this schedule from some of the iniquities that are embodied in it, and one of them is in the tariff on acetone, now 25 per cent. Of this product we export one-fourth of our entire production and import practically nothing.

Mr. HAWES. The Senator may be entirely right in his contention, and I am sure that he attempts to accomplish a patriotic purpose in suggesting these amendments.

When I referred a while ago to an experienced man, I referred to the junior Senator from West Virginia [Mr. HATFIELD], who is a physician. But having to choose between the contention of the Senator from Kentucky and the contention of those who believe that the chemical industry as a whole might be injured, and being in doubt as to the matter, I shall vote throughout the consideration of the amendments to this schedule to strengthen the chemical industry in the United States wherever possible.

Mr. BARKLEY. Mr. President, will the Senator yield to me to inquire of the Senator from West Virginia whether he disputes the facts which I have just submitted with reference to acetone?

Mr. HATFIELD. Mr. President, I do not dispute what the Senator has said as to the importations. I wish to say that I am not a chemist, but during my course leading to the degree of doctor of medicine I was forced to go into the study of chemistry to some extent, and I am only sorry that I did not embrace the opportunity more than I did as a student of medicine to pursue it further.

Acetone is a base product. Acetone was formerly made from wood distillation. Because of the scarcity of wood, there is a depreciation in the amount of acetone produced.

Acetone to-day is being manufactured more and more by the use of acetylene. Acetylene is made from carbide. Carbide is made from a combination of limestone and coke subjected to a very high temperature in an electrical furnace. The resulting product is a solid. When water is added to the carbide it forms acetylene gas. High pressure cylinders containing acetone under pressure will absorb this acetylene and hold it stable. That liquid is called dissolved acetylene, which can be shipped in these containers anywhere in the country.

That acetylene is used in acetylene torches, which brings about the thermic process of welding. One of the methods of making acetone synthetically is from a hydrocarbon gas. The other method of making acetone is by the distillation of corn.

Mr. President, we do not at the present time know what the future holds in store for the new process of the manufacture of acetone. It is an absolutely essential product in industry, in medicine, a product used in every-day life. I am convinced that if the tariff is lowered, in all probability there will be less inducement and less encouragement to the industries which make this product synthetically to follow up that activity.

As I said the other day, this is the dawn of a new era for the chemical industry in this country. There are no limitations to it, and if there is any industry which needs special protection at this hour to encourage its development and growth, it is the chemical industry.

The Finance Committee have gone into this subject, they have arrived at a conclusion after hearing the evidence, the chairman has served long and well at the head of that committee, and it seems to me that we would be safer in taking the course advised by and the conclusions of a majority of the Finance Committee, at least upon this and other items that go to make up the chemical schedule, than blindly to cast our votes for lower rates, which might mean lowering the bars and staying the hand of progress in the chemical industry in this country.

Mr. LA FOLLETTE. Mr. President, the article the Senator from Missouri has read has nothing to do with the amendment under consideration. Wherever anyone argues from the official figures for a reduction of a duty in the chemical schedule, Senators rise and tell what a great industry the chemical industry has grown to be. No one doubts the fact that it is a great industry. As a matter of fact it has probably grown more rapidly than any other industry in the United States. But there is no justification for the Senate refusing to consider the figures from official sources concerning the items in this schedule any more than it would be justified in refusing to consider the official figures and the facts concerning the items in the other schedules.

To rise in the Senate and attempt to refute the fact by general statements concerning the importance of the industry and its contribution to medical and other sciences is evading the facts and attempting to avoid the issue.

The Finance Committee has in certain instances reduced rates in this schedule where the facts furnished by the Tariff Commission indicated that there was a surplus of production in the United States and that the particular commodity was on an export basis. The junior Senator from West Virginia [Mr. HATFIELD] talks about the encouragement of another process for the manufacture of acetone. Under the existing duty of 25 per cent ad valorem we exported, in 1928, 4,959,000 pounds of acetone. The retention of that duty will not encourage the development of the synthetic process so long as this product is on an export basis. That is perfectly obvious to anyone.

The imports were 0.8 of 1 per cent of the domestic consumption, and the exports were 20 per cent of the domestic consumption. One-fifth of the acetone produced in the United States is exported under the 25 per cent ad valorem rate in the existing law. For Senators to contend that the production of this particular commodity falls in the class of infant industries is poppy-cock, nothing more or less.

Mr. BARKLEY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Kentucky?

Mr. LA FOLLETTE. I yield.

Mr. BARKLEY. I would like to say in that connection that under the tariff act of 1913 this article carried a rate of 1 cent per pound, which was, on the average, about 6 per cent ad valorem. During 1919 there were 240,000 pounds imported, in 1920 there were 6,000 pounds imported, in 1921 there were 209 pounds imported, and 882 pounds in 1922, which came in under a 6 per cent ad valorem rate, as compared with a 25 per cent ad valorem rate now, under which 38,000 pounds came into the country.

Mr. LA FOLLETTE. I thank the Senator for furnishing the figures for the RECORD. I was about to refer to them myself.

Acetone is used as a solvent in the production of commercial silk, artificial leather, photographic films, chloroform, and iodoform. It seems to me if the Senate of the United States is going to adopt the policy of refusing to reduce duties where products are shown to be upon a large export basis, then we might as well drop further consideration of the bill. I do not think any Senator would contend for such a policy, and yet that is the logic of the arguments which are made on this particular amendment.

I realize that in and of itself this particular amendment is not of great importance, but the action taken upon other amendments, if carried to its logical conclusion, means that the bill after its passage through the Senate will carry higher rates of duty than were passed by the House.

Senators must remember that the bill is going to conference. In the conference between the two Houses the rates adopted by the House and those adopted by the Senate will be under consideration where there is disagreement. Therefore there is a logical argument, wherever the facts warrant, for the Senate to reduce the rates in the existing law. The amendment offered by the Senator from Kentucky is supported by the facts, and if Senators wish to determine these amendments and their posi-

tion upon them on the facts, they will be compelled to vote in favor of the amendment offered by the Senator from Kentucky.

Mr. HARRISON. Mr. President, I desire to make just a brief statement, and I am sorry the Senator from Missouri [Mr. HAWES] is not in his seat to hear what I have to say. He has evidently been called from the Chamber.

This schedule was considered by a subcommittee of which I was not a member, but of which the Senator from Kentucky [Mr. BARKLEY] was a member. That subcommittee tried to work out in a conservative, rational way the details of this schedule in order to ascertain whether an amendment to reduce the rates would be warranted and whether they would stand a reduction. He has not gone wild in offering amendments. No one over here has gone wild about offering amendments.

Senators on this side of the aisle are just as anxious as Senators on the other side of the Chamber to conserve the great chemical industry and promote its development. But the friends of chemistry, the friends of the industry, will do well if they will join in reducing rates where the facts warrant it. Simply because there is a majority which controls the situation is no justification for Senators to close their eyes and refuse to vote for any reduction in the schedule where the facts justify a reduction. Senators will make a great mistake if they follow that policy. It does seem to me that unless they want to bring criticism and condemnation and opprobrium upon the chemical industry Senators should not try to prevent a rational reduction where the facts warrant it.

We have just voted upon an amendment which I offered relating to ethylene glycol. I did not imagine there would be any opposition to it. The reduction I sought was merely from 6 cents a pound and 30 per cent ad valorem to 6 cents a pound and 20 per cent ad valorem. No one connected with the chemical industry that knows anything about the facts could possibly say that it would affect the industry. Why did I offer it? It was because the production has increased in the last few years 10,000 per cent, because the importations to-day are only about 155 pounds, and because of the great use of it as an antifreeze solution in automobile radiators throughout the country. It is because of the utilization of it in that way that there has been such a tremendous production, and yet, notwithstanding the fact that the chairman of the Finance Committee was willing to accept it and everybody thought it ought to be accepted, but just because the Senator from West Virginia [Mr. HATFIELD] made a speech and alluded to some derivative of it to be applied to something else, Senators ran wild and voted against my amendment.

Do Senators think that is going to help the chemical industry in this country? Do they think it will make the public feel very kindly toward an industry which holds a tight grip and refuses a reduction in rates upon articles where the facts justify a reduction? Senators, I remember how in this country a few years ago the railroads entered into and tried to dominate and control the politics of the country, and to say who should be elected and what laws should be enacted. Public sentiment was aroused and then the railroads for a period of time had very rough sledding. They have had to adopt an entirely different course—and why? Because they know now that they have to consider the public in these great public-service matters.

The chemical industry and the friends here of that industry had better not shut their eyes to the cold facts and refuse to reduce rates when the rates should be reduced. On this particular article I asked for a reduction from 25 per cent to 20 per cent ad valorem, on an item carrying an ad valorem rate of 6 per cent under the Underwood Act, with tremendous exportations from this country and negligible importations, and yet it is said that the picture does not justify a reduction.

Senators, where amendments are offered and the facts warrant a reduction let us give it and let us vote against a reduction where it is not justified. I have said this much simply in answer to my good friend the Senator from Missouri [Mr. HAWES], who said we should fall in line with the Senator from West Virginia, and I say to the Senator from West Virginia, if that is to be his course, I plead with him in behalf of the development of the great chemical industry in this country, that when the facts warrant a reduction he should urge that it be given.

The PRESIDING OFFICER (Mr. VANDENBERG in the chair). The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY].

The amendment was agreed to.

Mr. BARKLEY. Mr. President, I should like to ask the Senator from Utah with reference to the item on page 5, line 1, ammonium carbonate and bicarbonate. What was the reason for the increase from 1½ cents to 2 cents per pound?

Mr. LA FOLLETTE. Mr. President, before that is taken up I would like to offer an amendment to paragraph 6, if the Senator does not object.

Mr. BARKLEY. Very well.

Mr. SMOOT. Does the Senator from Kentucky desire me to answer his question?

Mr. BARKLEY. No; not now. I will wait until we get to it.

Mr. LA FOLLETTE. Mr. President, on page 4, line 20, I propose to strike out the words "three-tenths" and insert in lieu thereof the words "one-fifth," so it will read:

Aluminum sulphate, alum cake, or aluminous cake, containing not more than 15 per cent of alumina and more iron than the equivalent of one-tenth of 1 per cent of ferric oxide, one-fifth of 1 cents per pound.

According to the information furnished the Committee on Finance by the Tariff Commission the total imports in 1927 were 1,542,766 pounds, valued at $19,436, as compared with a domestic production in 1927 of 608,862 pounds, valued at $7,875. The exports in 1927 amounted to 42,256,000 pounds, valued at $491,000. The imports were 0.27 of 1 per cent by quantity and 0.18 of 1 per cent by value of the domestic consumption in 1927. The exports in 1927 were 7 per cent by quantity and 6.3 per cent by value of the domestic production.

According to the Summary of Tariff Information, of the total production 60 per cent was used in the purification of water, 35 per cent in the manufacture of paper, and the remaining 5 per cent in connection with the dyeing and leather-tanning industries and for decolorization and deodorization of mineral oil.

It seems to me a case is presented here for a reduction. I should say the amendment contained in the paragraph is a reenactment of the existing law, but under the circumstances and considering the uses to which this product is put it seems to me there is justification for a slight reduction and it is on that theory that I have offered the amendment. I do not desire to take up any more of the time of the Senate discussing it.

Mr. SMOOT. Mr. President, the House made no change in existing law with relation to this particular item, nor did the Senate Finance Committee. It is the existing law to-day. There was no evidence at all presented to the committee either for or against an increase or a decrease.

Mr. LA FOLLETTE. My position is that the figures furnished by the Tariff Commission make a case for a decrease.

Mr. SMOOT. Of course, that may appear to the Senator upon its face. The production and importation figures given by the Senator are correctly stated.

Mr. LA FOLLETTE. Would the Senator be willing to accept the amendment and have it go to conference?

Mr. SMOOT. Yes; I am perfectly willing to do that.

Mr. LA FOLLETTE. In that connection also, if the Senator accepts that amendment, I have another one on the same point on page 4, line 23.

The PRESIDING OFFICER. First, let us dispose of the amendment now before the Senate. The question is on agreeing to the amendment proposed by the Senator from Wisconsin.

The amendment was agreed to.

Mr. LA FOLLETTE. Now, on page 4, line 23, I move to strike out the words "three-eighths" and insert "one-fourth," so as to read:

Containing more than 15 per cent of alumina or not more iron than the equivalent of one-tenth of 1 per cent of ferric oxide, one-fourth of 1 cent per pound.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin.

Mr. SMOOT. There is just where the competition is. That is the high-grade product. I hope the Senator will not ask that that reduction be granted.

Mr. LA FOLLETTE. Inasmuch as these two items are to be under consideration together, would not the Senator be willing to have them go to conference and have full consideration there together?

Mr. SMOOT. I do not think the second amendment is justified by the imports or the production.

Mr. LA FOLLETTE. But the point is that it will not be in conference unless the amendment is adopted by the Senate as I have just offered it.

There should be some relation between the duty upon the lower grade product and the duty upon the higher grade product. It is for that reason that I am suggesting to the Senator that he accept both amendments, and then whatever is done in conference as to the low grade may be made the basis of proper action as to the high grade.

Mr. SMOOT. I rather agree with the Senator as to his first amendment; I think that it was justified; but I do not think the second is justified. It seems to me that the best thing to do is to let the first amendment go to conference, and then there may be a parity arranged between the two. I think that would be very much better than the rates in the present law. I hope the Senator will look at it in that light.

Mr. LA FOLLETTE. I will not press the amendment, but it seemed to me if in conference the rate affecting the low grade was to be considered there ought also to be an opportunity for the conferees to consider the rate affecting the high grade if they thought that was necessary.

Mr. SMOOT. We know that the competition comes in the case of the high grade and not the low grade. I myself think the first amendment offered by the Senator is justified, but not the second.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE].

The amendment was rejected.

Mr. BARKLEY. Mr. President, I ask the Senator what was the reason for increasing the rate on ammonium carbonate and bicarbonate from one and a half to 2 cents a pound? Similar increases run all through that paragraph.

Mr. SMOOT. Perhaps a statement as to imports will tell the whole story. More than half the domestic consumption is supplied by imports.

Mr. BARKLEY. Does not this whole paragraph apply largely to products used in the manufacture of fertilizer?

Mr. SMOOT. No; the articles covered are used very largely for baking and wool scouring and dyeing. The greater amount of this commodity goes into those industries, and the importations, as I have said, are more than half of the domestic consumption. That is the reason for the increase.

The PRESIDING OFFICER. Are there further amendments to be offered to Schedule 1?

Mr. GEORGE. Mr. President, some days ago I proposed an amendment which I said I would offer when this paragraph was reached.

Mr. SMOOT. To what paragraph is the Senator referring?

Mr. GEORGE. To paragraph 7.

Mr. SMOOT. The Senator has in mind the sulphate of ammonium item?

Mr. GEORGE. Sulphate of ammonium is the principal item. I wish to make this statement: Ammonium nitrate and ammonium phosphate, as well as ammonium sulphate and liquid anhydrous ammonia, are used, of course, in the making of commercial fertilizer. Particularly is that true of ammonium sulphate. I do not propose to place all these commodities on the free list, but I do wish to offer an amendment to place sulphate of ammonium on the free list when intended to be used as a fertilizer or in the manufacture of fertilizer.

Mr. SMOOT. Will not the Senator defer offering that amendment until we reach the free list?

Mr. GEORGE. It would require two amendments to place it on the free list, for the item would have to be stricken out in this paragraph and then inserted in the free list. I will, however, wait until we reach the free list.

Mr. SMOOT. I think that is the best course to pursue. We have done that as to other items, and I ask the Senator to do it in this instance.

Mr. GEORGE. I should like to have it understood, however, that in respect to these chemicals that enter into the manufacture of fertilizer I will, when we reach the free list, ask that they be placed upon the free list when imported to be used as fertilizer or in the manufacture of fertilizer.

Mr. LA FOLLETTE. Mr. President, I hope the Senator from Georgia will also consider the inclusion of ammonium phosphate as well as ammonium sulphate, because my information is that they are both used for fertilizer.

Mr. GEORGE. That is correct.

Mr. LA FOLLETTE. It seems to me that the attitude of the Senator is absolutely correct when he seeks to have the bill provide that when the commodities he mentions are imported for fertilizer purposes they shall come in free. I hope he will give consideration to including both ammonium phosphate and ammonium sulphate in his amendment for that purpose.

Mr. GEORGE. I will include them in the amendment; and I very much hope the Senator from Utah will accept the amendment, so that the rates may remain as they are as provided in the paragraph, except as to certain commodities which I hope will be placed upon the free list.

Mr. SMOOT. A number of requests have been made affecting the free list, and I have said two or three times that I preferred to act upon amendments proposing to place items on the free list when we reach the free list. I believe that is the best way in which to proceed.

Mr. GEORGE. I am content to give it that direction. I merely wanted to indicate that I shall offer such an amendment.

The PRESIDING OFFICER. Are there further amendments in Schedule 1?

Mr. BARKLEY. I offer an amendment in paragraph 11, to come in at the bottom of page 5. I send the amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. In paragraph 11, on page 5, in line 22, after the word "pound," it is proposed to strike out "synthetic gums and resins not specially provided for, 4 cents per pound and 30 per cent ad valorem."

Mr. BARKLEY. Mr. President, the effect of that amendment is to restore the present law on synthetic gums and resins.

Mr. SMOOT. They will fall in the basket clause at 25 per cent.

Mr. BARKLEY. They will fall in the basket clause at 25 per cent. I do not care to discuss the amendment, except to say that the testimony before the Finance Committee, as I recall, the testimony of the only witness I think who appeared before the committee, was to the effect that the rate proposed would amount practically to an embargo. The articles are not separately mentioned in the present law and fall in the basket clause, and it was claimed by one of the witnesses who appeared before the Finance Committee in the Senate hearings on Schedule 1 that the duty of 4 cents per pound and 30 per cent ad valorem would impose an embargo on these products.

Mr. SMOOT. Mr. President——

Mr. BARKLEY. Mr. President, is the Senator from Utah prepared to accept the amendment?

Mr. SMOOT. I think the information which the Senator received is not quite accurate. The prices range from about 65 to 68 cents a pound. A rate of 4 cents a pound and 30 per cent ad valorem would be equivalent to about 36½ per cent ad valorem.

Mr. BARKLEY. Mr. President, it is an exceedingly prosperous industry. Of course, the use of the commodity has been largely increased on account of the manufacture of lacquers and varnishes and paints for automobiles. It is in universal use. A restoration of the rate in the present law will work no havoc on the chemical industry, and therefore I think the amendment would be entirely justified. So I hope the Senator from Utah will not object to the amendment.

Mr. SMOOT. Mr. President, I will make a brief statement regarding this item, and then perhaps the Senator will not press his amendment.

The only specific provision for synthetic resins in the act of 1922 is for the synthetic coal-tar resins in paragraph 28. I want the Senate to remember in the consideration of this bill that American valuation applies to paragraphs 27 and 28.

Mr. LA FOLLETTE. I assure the Senator from Utah I have not forgotten it.

Mr. SMOOT. Nor has the Senate forgotten it.

The new synthetic resins now made in the United States are assuming commercial importance in the manufacture of lacquers, molded products, and varnishes. One type of the resins now produced in this country is the thio-urea-formaldehyde resin used in plastics, manufactured by the Synthetic Plastics Co., Bound Brook, N. J., which sell for 65 cents per pound. This plant, constructed about a year ago, is now devoted to the production of this type of resin.

Another type is the vinyl resin, also used for lacquers and manufactured by the Carbide & Carbon Chemical Co., Charleston, W. Va. A relatively large investment is required for the development and commercial production of these resins. According to Treasury Decision 42108, the urea-formaldehyde resins were classified by similitude as "gallalith" at 25 cents per pound. This is greater than the recommended rate of 4 cents per pound and 30 per cent ad valorem.

The vinyl resins have sold when produced on a small-plant scale for about $1 per pound; it is understood that the price of the large-scale production will vary from 35 to 70 cents per pound, depending upon grade.

So the Finance Committee after the hearings decided to recommend a rate of 4 cents a pound and 30 per cent ad valorem, as provided by the House. That is on the synthetic article, and, as I have said, that rate, based on a price of 65 or 66 cents a pound, is equivalent to an ad valorem rate of 36 or 37 per cent. I rather think that the rate proposed should stand.

Mr. BARKLEY. I think if there is sufficient reason for doubting the necessity of the rate in the bill that this amend-

ment ought to be adopted, and if some happy medium can be arrived at in conference, let it be done.

Mr. SMOOT. I should be glad to have that done.

Mr. BARKLEY. Unless some action shall now be taken, however, there will be nothing in conference at all and the rate will remain as fixed.

The PRESIDING OFFICER. The question is on agreeing to the amendment as offered by the Senator from Kentucky.

Mr. SHORTRIDGE. Mr. President, I should like to ask the Senator from Kentucky a question. Does he not think that the arguments in favor of the rate suggested by the committee and the arguments against it are about equally balanced? There is force, is there not, in the views expressed by the Senator from Kentucky, and there is force in the argument that is advanced by the chairman of the committee?

Mr. BARKLEY. If I were a member of the conference committee and thought the arguments were about 50-50 for and against the increase provided, it might assist me in arriving at a more just figure below that carried by the bill, but a little higher than the present law. I am satisfied that the conferees can work out that problem.

Mr. SHORTRIDGE. But the Senator is not prepared now to admit that the arguments are about equally balanced?

Mr. BARKLEY. I am not denying that, but that still fortifies my belief that there ought to be a reduction below the present rate. I do not care to attempt to fix a rate beyond restoring the rate in the present law.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky.

The amendment was agreed to.

Mr. BARKLEY. The next amendment which I have to offer is on page 7, paragraph 20, lines 14 and 15. I send the amendment to the desk and ask that it may be read.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 7, lines 14 and 15, it is proposed to strike out "or bolted, 0.4 of 1 per cent per pound; precipitated" and insert "bolted or precipitated."

Mr. SMOOT. As I understand, the amendment as just read restores the rate of existing law?

Mr. BARKLEY. Yes; the amendment seeks to restore the rate provided by existing law, under which the commodity is dutiable under paragraph 20 at 25 per cent, while the ad valorem equivalent of the House duty is about 170 per cent, based on the unit value of 1928 imports over 130 per cent based on the unit value of 1927 imports.

Mr. SMOOT. The reason for that is that the unit price of these articles has been dropping every year.

Mr. BARKLEY. I know the price has fluctuated.

Mr. SMOOT. In my opinion, the decline in the price has been caused by competition in making the article in our own country. I think that is what has brought about the reduction in price. I do not know whether the amendment would interfere with the situation here to such an extent that the local manufacturer would not be able to bring prices down still lower than they are to-day.

Mr. BARKLEY. This is an article which is used very largely in the manufacture of calcimine, rubber goods, and putty, as well as in the manufacture of linoleum, pottery, oil paints, and so forth. It enters into various building materials, which of course go to affect the cost of building.

We produced in 1926, 188,000,000 pounds, of which 110,000,000 pounds were produced for sale, and the remaining 78,000,000 pounds were produced by the manufacturers of whiting for their own consumption; and at the same time we imported about 66,000,000 pounds.

Mr. SMOOT. In other words, the imports of whiting have increased, and in 1927 the imports amounted to about two-thirds of the domestic production for sale.

Mr. BARKLEY. Of course, all of the raw material for the manufacture of whiting is imported. We have in this country none of the raw material required for the manufacture of whiting.

Mr. SMOOT. We have it in some sections of this country. There are some sections where we do not have any of it.

Mr. BARKLEY. This increase from 25 per cent to 130 to 170 per cent seems to me out of all proportion to the requirements.

Mr. SMOOT. Let me call the Senator's attention to the prices, and so forth. Perhaps I had better read just one paragraph from what the Tariff Commission says on the subject:

> Actual cost figures can not be established without disclosing confidential data, but on a percentage basis the total cost, including computed interest, was 100 for the United States in 1926 and 28.42 for Belgium in the first six months of 1927.
>
> Competition of imported whiting has increased, and in 1927 imports amounted to about two-thirds of the domestic production for sale.
>
> The unit price of imports has declined from $0.0048 per pound in 1925 to $0.0023 per pound in 1927.

So, Mr. President, the price of the article has declined; the importations have increased; and I do not see why we should not have at least a fair chance here in the United States on the production of whiting.

Mr. BARKLEY. Here is a place where the raw material is on the free list. Chalk comes in without any duty whatever. Of course, it is manufactured into whiting in this country, and there has been considerable domestic competition among the manufacturers of whiting, after importing the crude chalk which is the raw material.

Mr. COPELAND. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from New York?

Mr. BARKLEY. Yes.

Mr. SMOOT. Before the Senator from New York speaks, I want to say to the Senator that I understand the report based on the investigation of this subject by the Tariff Commission is now in the hands of the President. I have not seen the report in detail, but I have not any doubt but that the President will issue a proclamation in relation to this item. I do not say that I know anything about it, but I have been informed that that report has gone to the President.

Mr. BARKLEY. Of course, I assume that the President will issue no proclamation on any particular item as long as this tariff bill is pending——

Mr. SMOOT. Certainly he will not.

Mr. BARKLEY. Because in whatever form this tariff bill comes back from the conference committee, it will presumably take care of any increase that may be shown to be necessary; but I certainly think that the increase provided in this section is out of all proportion to the needs of the industry.

Mr. SMOOT. Mr. President, I can say that even the Tariff Commission, in the report furnished me, says that the rate in the House bill is less than the difference in cost of production in the United States and Belgium. I have already called attention to that.

Mr. LA FOLLETTE. Mr. President, can the Senator from Utah tell us how many different concerns are engaged in the business of producing whiting in this country?

Mr. SMOOT. There are five principal ones. I think those five produce perhaps 90 or more per cent of all that is produced in the United States.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER. The Senator from Kentucky has the floor. Does he yield to the Senator from New York?

Mr. BARKLEY. I yield to the Senator from New York; but before yielding I want to say, in reply to the Senator from Utah, that this cost of production, as I understand, as reported by the Tariff Commission, considers only the cost of production of those engaged in the production of whiting for sale. It does not take into consideration very large companies which produce whiting for their own use.

Mr. SMOOT. The reason of that was that where the manufacturer makes the whiting himself for use in other articles, he does not figure separately what the whiting costs him. He figures on the whole cost of the article, from the beginning to the end; and of course there are many respects in which the manufacturer who uses his product for further manufacture has a great advantage over the man who puts it up for sale. Take, for instance, some kind of a product in which whiting is used, and after the whiting is made it goes into a further process. In a case of that kind the manufacturer has no freight, perhaps he has no handling, he has no sacking, he has nothing like the man who makes whiting for sale to other concerns; and of course his cost would be less because of that fact.

Mr. COPELAND. Mr. President, may I ask the Senator if his purpose is to return this article used for making putty to the free list, or to the old rate?

Mr. BARKLEY. No; to the old rate of 25 per cent ad valorem.

Mr. COPELAND. What is the increase?

Mr. BARKLEY. The increase is from 25 per cent to what is equivalent to an average of about 150 per cent. In 1928, based on the prices then prevailing, the ad valorem equivalent of the House rate would be 170 per cent. In 1927 the ad valorem would be 130 per cent, based on the value. Of course, the value fluctuates, and therefore a specific duty also varies in ad valorem equivalent.

Mr. COPELAND. Is it not a fact that if this bill were to pass as it is proposed here, it would increase the cost of putty?

Mr. BARKLEY. Oh, yes.

Mr. COPELAND. Of course, putty is used universally. The Senator may say that the other day I was proposing a higher

cost of gypsum and perhaps of cement; but those articles were entirely different, because they had to do merely with the seaboard. Here, however, is a question which involves the price of putty, used in every State in the Union. Am I not right about that?

Mr. BARKLEY. The Senator is correct; and it involves the price of linoleum, used for kitchen floors all over the country, rubber goods, oil paints, and other things.

Mr. COPELAND. Is anybody suffering by reason of the rate in the present law? I mean to say, is it going to hurt any American industry to continue this duty as it is at present?

Mr. BARKLEY. In my judgment, the present law is sufficient to give all the protection that this industry needs.

Mr. COPELAND. I have sometimes felt that the Senator from Kentucky was wrong; but this time I think he is right.

Mr. BARKLEY. I thank the Senator from New York.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Kentucky to paragraph 20. [Putting the question.] By the sound, the "noes" seem to have it.

Mr. LA FOLLETTE. I call for a division.

Mr. SMOOT. Let us have the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. GLENN (when his name was called). Making the same announcement as on the last roll call, I vote "nay."

Mr. METCALF (when his name was called). I have a general pair with the Senator from Maryland [Mr. TYDINGS]. I transfer that pair to the junior Senator from Oregon [Mr. STEIWER] and will vote. I vote "nay."

Mr. WHEELER (when his name was called). Making the same announcement that I made before, I vote "yea."

The roll call was concluded.

Mr. BINGHAM. I desire to announce, in behalf of my colleague [Mr. WALCOTT], that he is unavoidably absent. If present, he would vote "nay." He is paired with the junior Senator from Montana [Mr. WHEELER].

Mr. NYE. Upon this question my colleague [Mr. FRAZIER] is paired with the senior Senator from Delaware [Mr. HASTINGS]. If present and voting, my colleague would vote "yea," and the Senator from Delaware would vote "nay."

Mr. KENDRICK. On this question I am paired with the senior Senator from Idaho [Mr. BORAH]. If he were present, I understand that he would vote "yea," and if I were at liberty to vote I should vote "nay."

Mr. ROBINSON of Indiana. I have a general pair with the Senator from Mississippi [Mr. STEPHENS]. I transfer that pair to the Senator from Kentucky [Mr. ROBSION] and will vote. I vote "yea."

Mr. FESS. I desire to announce the following general pairs:

The Senator from Vermont [Mr. DALE] with the Senator from Massachusetts [Mr. WALSH];

The Senator from Pennsylvania [Mr. REED] with the Senator from Arkansas [Mr. ROBINSON];

The Senator from Maine [Mr. GOULD] with the Senator from South Carolina [Mr. BLEASE];

The Senator from Colorado [Mr. WATERMAN] with the Senator from Utah [Mr. KING]; and

The Senator from California [Mr. JOHNSON] with the Senator from Texas [Mr. CONNALLY].

The result was announced—yeas 40, nays 33, as follows:

YEAS—40

Ashurst	Cutting	La Follette	Sheppard
Barkley	Dill	McKellar	Simmons
Black	Fletcher	McMaster	Smith
Blaine	George	Norbeck	Steck
Bratton	Glass	Norris	Swanson
Brock	Harris	Nye	Thomas, Okla.
Brookhart	Harrison	Overman	Trammell
Caraway	Hawes	Ransdell	Wagner
Copeland	Heflin	Robinson, Ind.	Walsh, Mont.
Couzens	Howell	Schall	Wheeler

NAYS—33

Allen	Goff	McCulloch	Smoot
Baird	Goldsborough	McNary	Sullivan
Bingham	Greene	Metcalf	Thomas, Idaho
Broussard	Hale	Moses	Townsend
Capper	Hatfield	Oddie	Vandenberg
Deneen	Hebert	Patterson	Watson
Fess	Jones	Phipps	
Gillett	Kean	Pine	
Glenn	Keyes	Shortridge	

NOT VOTING—23

Blease	Grundy	Pittman	Stephens
Borah	Hastings	Reed	Tydings
Connally	Hayden	Robinson, Ark.	Walcott
Dale	Johnson	Robsion, Ky.	Walsh, Mass.
Frazier	Kendrick	Shipstead	Waterman
Gould	King	Steiwer	

So Mr. BARKLEY's amendment was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed the following joint resolutions, in which it requested the concurrence of the Senate:

H. J. Res. 241. Joint resolution making an additional appropriation for the fiscal year 1930 for the cooperative construction of rural post roads; and

H. J. Res. 242. Joint resolution making an appropriation to carry out the provisions of the act entitled "An act to enable the mothers and widows of the deceased soldiers, sailors, and marines of the American forces now interred in the cemeteries of Europe to make a pilgrimage to these cemeteries," approved March 2, 1929.

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 2086. An act granting the consent of Congress to the Wabash Railway Co. to construct, maintain, and operate a railroad bridge across the Missouri River at or near St. Charles, Mo.;

H. R. 6621. An act to extend the times for commencing and completing the construction of a bridge across the water between the mainland at or near Cedar Point and Dauphin Island, Ala.;

H. R. 7642. An act to extend the time for completing the construction of the approaches of the municipal bridge across the Mississippi River at St. Louis, Mo.;

S. J. Res. 98. Joint resolution to grant authority for the erection of a permanent building at the headquarters of the American National Red Cross, Washington, D. C.; and

H. J. Res. 170. Joint resolution providing for a study and review of the policies of the United States in Haiti.

5-AND-10-CENT CHAIN STORES

Mr. BLACK. Mr. President, I ask unanimous consent to have inserted in the RECORD a news item released by the United States Department of Labor concerning the 5-and-10-cent chain stores.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

5-AND-10-CENT STORES NOT UNMIXED BLESSING, UNITED STATES WOMEN'S BUREAU FINDS

UNITED STATES DEPARTMENT OF LABOR,
WOMEN'S BUREAU,
Washington.

The weak link in chain stores of the 5-and-10-cent-store variety, whose practice of selling so many everyday necessities at such low prices makes them a real boon to a community, is failure to pay many of their girl employees wages sufficient to procure the necessities of life. This fact is clearly brought out in a recently published report on limited-price chain department stores by Miss Mary Elizabeth Pidgeon, of the Women's Bureau, United States Department of Labor.

Twelve dollars a week can scarcely be called a living wage in this day of high costs, but $12 was found to be the median, or middle point, of the earnings for a week in the last quarter of 1928 of slightly over 6,000 girls in 179 limited-price stores scattered throughout 18 States and 5 additional cities.

Only 7 per cent of the girls earned as much as $18, while 70 per cent earned less than $15, and 25 per cent less than $10.

Fixed selling prices irrespective of locality are a well-known policy of the chain system, but it is apparent from the Women's Bureau figures that wage standards differ from State to State. In California, for example, the median was $16, the minimum wage permitted by law for experienced workers in the State. Michigan with a $15 median and Kentucky with a $14 ranked next. The median of $8.80 for Maryland was the lowest for any State, but a $9 median was reported for six—Alabama, Georgia, Kansas, Mississippi, South Carolina, and Tennessee. The other States included in the survey, with their medians, are as follows: Arkansas, Florida, and Oklahoma, $10; Delaware and Rhode Island, $11; Ohio, $12; and Missouri and New Jersey, $13.

In the five additional cities median earnings were $12 in Boston, $13 in Indianapolis, $14 in New York City and Milwaukee, and $18 in Chicago.

The low-wage figures shown in the report to be typical of the industry seem out of harmony with such sound economic policies as overhead savings due to centralized purchasing and quantity buying, rapid sales turnover, small profits on articles sold in big volume, buying and selling on the cash basis, abolishing delivery cost and advertising expense—features of these stores also stressed in the bulletin.

The phenomenal increase in sales—one chain reporting a 350 per cent increase from 1912 to 1927—is not paralleled by any striking advance in wages in the past few years, according to the report.

In a few States the data secured give valid bases for comparisons of earnings in 1928 with earnings in 1921 and 1925, Miss Pidgeon points

out. Some reduction is shown in 1928 in the proportions of women receiving the lowest rates, but no positive indication is given of a general increase in the groups having rates or earnings in the highest ranges.

Limited-price stores suffer by comparison with most other industries in the matter of wage standards, the bulletin shows, the claim being supported by statistics available for 15 States. Attention is called to the fact that while the limited-price department store has to contend with inexperienced and shifting labor and that some chains endeavor to mitigate in a small degree the low wage by some form of bonus or vacation system, nevertheless the standards of payment are very low, indeed, in comparison with those in many other industries in whatever State or year studied.

That the different 5-and-10-cent chains are not all plated and engraved with the same wage standards is another fact brought out by the acid test of the analyses made in the study. Of five chains compared, wage rates in one tended to be consistently lower and those in another consistently higher than was the case with the remaining three chains.

Mr. BLACK. Mr. President, I call the attention of the Senate to the fact that, according to this information given out by the Department of Labor, only 7 per cent of the girls employed in these stores earn as much as $18 per week, while 70 per cent earn less than $15 per week and 25 per cent earn less than $10 a week.

I call attention further to the fact that while the one chain reports a 350 per cent increase in sales from 1912 to 1927, that is not paralleled by any striking advance in wages, according to this report.

Mr. WALSH of Montana. Mr. President, with reference to that, has the Senator any information concerning the profits made by the leading chain-store companies?

Mr. BLACK. The particular bulletin to which I have referred does not give any information concerning the profits. I have some information in my office, but I do not have it in my possession here at the present time.

Mr. WALSH of Montana. I thought it would be pertinent in connection with the extraordinarily low rate of wages they pay their employees. I dare say that it would be quite proper to request information from the Secretary of the Treasury on that subject.

Mr. BLACK. Mr. President, I think that is correct, and I call attention to the fact that in the State of Maryland the average wage is lower than that paid in any other State—$8.80 per week. I do not state that particularly to call attention to the State of Maryland, but that happens to be the State in which the wages are the lowest. In the States of Arkansas, Florida, and Oklahoma the average is $10 a week; in the States of Alabama, Georgia, Kansas, Mississippi, South Carolina, and Tennessee the average is only $9.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. COPELAND. Not only does the chain store not contribute to the community by paying good wages, as stated by the Senator, but, in my opinion, it does not contribute to the civic life at all by reason of the fact that the personnel of the administration of the local store is largely transient. It drives out of business old established concerns, where the proprietor had an important part in the civic and political life and in the upbuilding of the community.

I think the Senator is to be commended for bringing this matter to the attention of the Senate.

Mr. BLACK. Mr. President, I agree with the Senator regarding the lack of contribution of the chain store to the community. I made some statements with reference to that several weeks ago.

HOUSE JOINT RESOLUTIONS REFERRED

The following joint resolutions were each read twice by their titles and referred to the Committee on Appropriations:

H. J. Res. 241. Joint resolution making an additional appropriation for the fiscal year 1930 for the cooperative construction of rural post roads; and

H. J. Res. 242. Joint resolution making an appropriation to carry out the provisions of the act entitled "An act to enable the mothers and widows of the deceased soldiers, sailors, and marines of the American forces now interred in the cemeteries of Europe to make a pilgrimage to these cemeteries," approved March 2, 1929.

THE SUGAR INSTITUTE

Mr. BLACK. Mr. President, I desire to call attention to the fact that the Sugar Institute, about which something has been said, has caused a rule to be adopted which is working unfairly against the purchasers of sugar, particularly in Mobile, Ala. It will take but a moment to read the letter I have received in regard to the matter, and I shall read it in order that it may be placed in the RECORD.

On account of the fact that we have recently had before us the sugar tariff, and it will come up again, I desire to show what is being done in the matter of fixing the price of sugar. It will take only about five minutes, and I shall read a letter I have received from Mobile, Ala., and a letter from the Inland Waterways Corporation, to show the method which is adopted to extract an extortionate price from the consumers of this Nation.

I read first a letter addressed to me from Mobile, Ala., dated January 28, 1930, as follows:

MOBILE, ALA., *January 28, 1930.*

Hon. HUGO L. BLACK,
United States Senate, Washington, D. C.

DEAR SIR: We beg to invite your attention to the following facts relative to the cost of sugar to wholesalers and jobbers in the city of Mobile. All sugar refiners in New Orleans, or who use New Orleans as a basic point, are now billing their production to wholesale distributors at Mobile at the refinery basis price per hundredweight plus rail rate from New Orleans to Mobile. This rail rate is $0.245 per hundredweight. As you are no doubt aware, Mobile enjoys the facilities of the Mississippi-Warrior Barge Line, and it has been the practice of Mobile merchants in every line of business to use these facilities whenever and wherever possible. The barge rate of freight on sugar to Mobile is 17½ cents per hundredweight. Refiners are charging merchants in Mobile the rail rate, no matter what method of shipment is used, from refinery to Mobile. In other words, they are shipping their production by the barge at 17½ cents per hundredweight and are charging the buyer the rail rate. This is a difference of 7 cents per bag, and, in our opinion, is a highhanded discriminatory charge.

One of the purposes of the Mississippi-Warrior Barge Line, a part of the Inland Waterways Corporation of the United States Government, was to reduce freight cost, making a saving to the consumer. You can readily see that this arbitrary charge of the refiners must necessarily be passed on to the consumer; therefore defeating one of the primary purposes of the Mississippi-Warrior Barge Line.

In addition, this is greatly interfering with the competitive status of Mobile merchants. Near-by jobbing points on the Mississippi coast, such as Biloxi, Gulfport, Pascagoula, and also Pensacola, Fla., are still able to purchase sugar on a basis of the barge rates and at a greatly reduced freight cost.

The basis of which sugar is sold to Mobile merchants has been determined by what is known as the Sugar Institute. We fail to see why this discrimination has been made. We are placing these facts before you and ask that you investigate same and have them verified, and we will be very pleased to hear from you after you have thoroughly gone into the matter.

Very respectfully yours,

M. FORCHHEIMER GROCERY CO. (INC.),
MARION H. FORCHHEIMER, *Vice President.*

I shall now read a letter addressed to me from the Inland Waterways Corporation, to which I addressed an inquiry as to this practice. They state:

INLAND WATERWAYS CORPORATION,
Washington, D. C., February 3, 1930.

Hon. HUGO L. BLACK,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR: In the absence from the city of General Ashburn I am taking the liberty of replying to your letter of the 1st instant in his behalf.

We are familiar with the situation mention by Mr. Forchheimer in his letter to you of the 20th ultimo, which you sent with your letter and which I am now returning to you.

Unquestionably, since the organization of the so-called Sugar Institute, the sugar refineries are so operating as to create injustice such as Mr. Forchheimer complains of. If we knew of any way to overcome this we would be glad to avail ourselves of it. The remedy, however, is not in our hands. The Department of Justice and the Federal Trade Commission have had the matter brought to their attention and we have some hope that it may be corrected through their efforts. In the mean time all that this office can do is to confirm to you substantially what Mr. Forchheimer complains of, namely, that the refineries are, with apparent concert, using a basis of sale for their sugar, which results in depriving the distributors and consumers of sugar from any saving incident to Mississippi-Warrior service rates.

Very truly yours,

T. Q. ASHBURN,
Major General, United States Army, Chairman and Executive.
By CLARK C. WREN,
Assistant to the Chairman.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. SMOOT. I have called attention several times to that very situation, and that is what we have to meet in trying to

ship our sugar from the West. I have not looked up the matter for some time, and I would not like to attempt to state the exact rate, but the rate from Chicago on the barge line is so small that if we ship sugar from the West to Chicago, we can not ship it on south in competition with that rate.

Mr. WALSH of Montana. Mr. President, I would like to have some information, if it can be accorded by either the Senator from Alabama or the Senator from Utah, as to what the Sugar Institute is, and just how it regulates the price that is to be charged for sugar in the various cities of the country.

Mr. BLACK. Mr. President, the Senator may obtain the information from a report of the hearings before the Committee on Agriculture and Forestry of the Senate. The Sugar Institute, it is claimed, was organized for the purpose of preventing unfair competition by one sugar refinery so as to injure another. It seems it works as all such agreements ordinarily do, to raise the price.

Mr. WALSH of Montana. I understand now. It is apparently one of the ordinary trading associations, which has various high-sounding purposes, as disclosed in its prospectus and that kind of thing, but the actual effect of it is to fix the price of the product in connection with which it is organized.

Mr. BLACK. The effect and purpose of it is to bring together all over the country the huge mergers and combines to which I referred a few minutes ago. The country is becoming filled with a very few huge business combines, with tremendous power to fix rates on anything they sell, and of course the consumer pays the price.

It was claimed the Sugar Institute was formed because some sugar refiners were selling sugar at too low a price. It was claimed they were selling it below cost, and therefore, according to the reports made, which the Senator can find in the report of this investigation, a meeting was called in order, as they said, that there might be no such unfair practice as one man selling sugar at a price lower than the price of another. It is the same system we have. It is the monopoly system. That is why a few weeks ago upon the floor of the Senate I called the attention of the Attorney General of the United States to the fact that if something is not done by the Government to prevent the continuation of the huge monopoly system, the Congress of the United States, the lawmaking body, will be compelled to protect the people by regulating the price even of the food that they eat. None of us are anxious for that day to arrive, but that is what we are tending toward to-day. With the rapid concentration of the food supply of the United States, as I pointed out, in the hands of three or four chains, this being predicted by the packers of the United States, it means the fixing of the price of every product in the country by the combine.

The Sugar Institute is doing that now. They conclude that Mobile, Ala., ought not to have the advantage of the barge-line rate. They therefore get together and say "We will charge you a price which includes 24½ cents per hundred pounds which we would be compelled to pay on the railroad, but we will ship by the barge line," which they do and then they make the consumers of sugar in Mobile, Ala., pay the extra price. Why? It is because they are clearly violating the Sherman Antitrust Act. It seems to me that the tendency of the day is to consider the Sherman Antitrust Act as dead and antiquated, and therefore it is not enforced. I am calling attention to it with the hope that the Attorney General of the United States will take action to prevent a repetition of this crime against the people.

Mr. WALSH of Montana. I merely desire to add that unfortunately the Supreme Court of the United States has held that the trade association is not a violation of the Sherman Act, and yet I am advised by persons connected with the Department of Justice, who have been following this litigation for many years, that in substance and effect such associations are arrangements for the purpose of fixing the price of the commodity in relation to which they are heard.

Mr. BLACK. That is undoubtedly true. I called attention to these two matters together simply to bring to the attention of the Senate again the rapid concentration and the monopoly which exists in the country, as I pointed out in connection with the desire to change the packers' decree. In order that the people may be protected these monopolies must in some way be stopped.

NIOBRARA ISLAND, NEBR.

Mr. NYE. From the Committee on Public Lands and Surveys, I report back favorably without amendment the bill (H. R. 5191) to authorize the State of Nebraska to make additional use of Niobrara Island, and I submit a report (No. 154) thereon. I invite the attention of the senior Senator from Nebraska [Mr. NORRIS] to the bill.

Mr. SMOOT. I do not think it will lead to any discussion.

Mr. NORRIS. Let me say to the Senator that I am familiar with this island in the Niobrara River. It is quite a large island. I have been over it. It was originally given to the city of Niobrara which is a small community. The island is so large that they could not give it proper care so we passed through Congress an act permitting them to turn it over to the State of Nebraska for use as a public park. This legislation simply gives permission to the State of Nebraska to use a portion of the island for a game and fish preserve.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That after the transfer to the State of Nebraska of all rights, title, and interest in Niobrara Island, as provided in the act entitled "An act to authorize the city of Niobrara, Nebr., to transfer Niobrara Island to the State of Nebraska," approved February 4, 1929, such State may use such part or parts of such island as it deems advisable for the propagation, preservation, and protection of game and fish.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

REVISION OF THE TARIFF

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2667) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes.

Mr. BARKLEY. Mr. President, on page 22, in paragraph 42, edible gelatin, there may be some slight justification for the increase in the rate on glue, but I can not see any justification for an increase in the rate on edible gelatin. We produced about 104,000,000 pounds and imported about 1,500,000 pounds. I am offering an amendment to restore the rate to 20 per cent instead of 25 per cent.

Mr. COPELAND. Mr. President, I hope the Senator will do that. I have pending an amendment to do that very thing, to strike out "25" and insert "20," to strike out the numeral "2" and insert "1½," and in line 10 to strike out "25" and insert "20."

Mr. BARKLEY. That is the amendment which I have in mind.

Mr. COPELAND. If the Senator is willing, I will send my amendment forward and offer it in the hope that it will be adopted. If we were to leave the rate as it is in the bill, it would mean that glue, which is used in almost everything in the world that is made, from matches to shoes and furniture and in the repair of implements of all kinds, would carry these high rates. It would be a mistake to impose this burden upon the people.

Mr. BARKLEY. There is no question that that is correct. I hope the amendment restoring the present duties will be adopted.

Mr. COPELAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. COPELAND. Do I understand my amendment is pending now?

The VICE PRESIDENT. It is the pending amendment. However, the Senator has sent forward three separate amendments, and they can be considered together by unanimous consent only.

Mr. COPELAND. Inasmuch as their purpose is to restore the rates to the present law and since the whole class is contained between the two semicolons, it seems to me we might properly consider them together.

Mr. SMOOT. For the sake of the RECORD, I think it would be very much better to have a vote on each item.

Mr. COPELAND. Very well.

Mr. SMOOT. The Senator's amendment is to strike out "25" in line 8, page 22, and insert "20"?

Mr. COPELAND. Yes.

The VICE PRESIDENT. That is the first amendment of the Senator from New York.

Mr. SMITH. Where is the proposed amendment to be found?

Mr. SMOOT. On page 22, line 8, where the Senator from New York proposes to strike out "25" and insert "20." The latter rate is the present law. The change is made for these reasons. Since 1925 the total imports of animal glue have increased from 5,175,568 pounds, valued at $436,973, to 9,133,271 pounds, valued at $799,920, or over 100 per cent increase.

Mr. BARKLEY. In that connection, we also exported 2,547,000 pounds, which should be subtracted from the imports.

Mr. SMOOT. I am coming to the exports. The imports consist very largely of extracted bone glue originating from England, together with relatively small amounts of low-grade hide glues from Germany. The imports compete with the domestic

extracted bone glue. Although the total imports of all animal glue were 12.6 per cent by quantity and 6 per cent by value of the total domestic production of all animal glue, the imports amounted to over 80 per cent of the domestic production of extracted bone glue. That was the only good reason presented to the committee for increasing the rate from 20 to 25 per cent, and that is evidently a large proportion of the industry.

Mr. BARKLEY. Of course, the Senator is reading the figures with reference to glue.

Mr. SMOOT. It relates also to gelatin.

Mr. BARKLEY. Yes; but the edible gelatin, of which we produce about——

Mr. SMOOT. No; this is "valued at less than 40 cents a pound."

Mr. BARKLEY. It is still gelatin, no matter what its value.

Mr. SMOOT. The edible gelatin is in line 3, "valued at less than 40 cents a pound, 20 per centum ad valorem." The Senate cut that specific duty from 5 cents to 3½ cents a pound. That, of course, was a reduction. Then, "valued at 40 cents or more per pound, 20 per centum ad valorem and 7 cents per pound; gelatin, glue, glue size, and fish glue"——

Mr. BARKLEY. There is a comma after "gelatin," which, of course, indicates that it does not mean gelatin glue. It means gelatin and glue.

Mr. SMOOT. That is true, but this is the highest grade of glue there is. There is 80 per cent of the domestic consumption that is imported. It does not apply to the edible gelatin at all. It applies only to that gelatin, glue, glue size, not specially provided for.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. SMOOT. I yield.

Mr. COPELAND. There are practically no glue imports at over 40 cents a pound. All of the imports of glue are under 40 cents a pound.

Mr. SMOOT. That is why the amendment was made. That is why we gave the 5 per cent, because 80 per cent of the domestic consumption is imported. That is the item which has been changed from 20 to 25 per cent. I think when the importations are 80 per cent of our consumption, it is fair for us to infer that there ought to be some increase granted.

Mr. BARKLEY. Where 80 per cent of the domestic consumption is imported, it strikes me that it would indicate we are not supplying a sufficient amount of the commodity to meet our own demands.

Mr. SMOOT. We can not do it at the price.

Mr. BARKLEY. Why should we compel the people to pay an additional price for 80 per cent of what they buy in order to raise the rate above what it is?

Mr. SMOOT. If we have a rate of 25 per cent then we will supply the market.

Mr. BARKLEY. There is no guaranty of that.

Mr. SMOOT. I do not think there is any question about it from the testimony given before the committee. It can not be done at the price now.

Mr. WALSH of Montana. Mr. President, I should like to inquire if the language does not require some modification in order to make it clear. The paragraph begins with "edible gelatin valued at less than 40 cents per pound," the duty being 20 per cent ad valorem and 3½ cents per pound. Now we come down to "gelatin, glue, glue size, and fish glue, not specially provided for, valued at less than 40 cents per pound." That would indicate that it is the same thing. But here is "edible gelatin valued at not less than 40 cents," and "gelatin valued at not less than 40 cents per pound."

Mr. SMOOT. This is not edible gelatin, because it says "not specially provided for." Edible gelatin is provided for.

Mr. WALSH of Montana. How are we going to distinguish between edible gelatin where the value is less than 40 cents a pound and gelatin that is not edible worth less than 40 cents a pound?

Mr. SMOOT. There is a special test made of every importation, and there is no question about the result of those tests. The phraseology is word for word the same as the existing law, and we have had no trouble whatever and no objection to it.

Mr. WALSH of Montana. It occurred to me there would be all manner of trouble.

Mr. SMOOT. No; there is none. I really think the 25 per cent rate is justified on account of the amount of importations of this particular item.

Mr. COPELAND. Mr. President, the advice I have on this subject is quite to the contrary. It has been pointed out to me that if this provision is passed as written, it will materially increase the cost of glue in common use in this country in all walks of life. If that is the case, we ought not to pass it as it is written.

Mr. SMOOT. I suppose the Senator has reference to one particular kind of glue, and that is hat glue.

Mr. COPELAND. Oh, no.

Mr. SMOOT. There is a little glue that falls in this paragraph, but the great bulk of it, 80 per cent of the amount consumed, is imported.

Mr. BARKLEY. In that connection the greatest quantity of the imported glue is made up of bone glue, which we do not produce in very large quantities. I want to inquire of the Senator from Utah whether, in making a comparison of costs between the United States and other countries, he did not compare the cost of hide glue in the United States with the cost of bone glue in the foreign countries?

Mr. SMOOT. Let me call the Senator's attention to the fact that the extract bone glue is 11,149,200 pounds, and the green bone glue is 34,184,500 pounds. The total of all enumerated glues of all kinds in 1928 was only 103,620,000 pounds.

Mr. BARKLEY. That is domestic production?

Mr. SMOOT. Yes. Then of the imports we find of glue and glue size of all kinds, the quantity in 1928, which was the highest it ever was, amounted to 9,183,000 pounds.

Mr. BARKLEY. That includes all sorts of importations, hide and bone and all, as compared with 45,000,000 pounds of hide and bone glue.

Mr. COPELAND. Mr. President, may I ask the Senator from Utah if there was not an application made to the Tariff Commission for an increased rate, and did not the Tariff Commission decline to give it?

Mr. SMOOT. My information is that there was an application made, but the investigation has not yet been completed. Whether that is so or not, that is the information they gave the committee.

Mr. COPELAND. Is the Senator quite certain that the Tariff Commission did not decline to recommend the increase?

Mr. SMOOT. I am quite certain that it did not.

Mr. COPELAND. The advice I have is that after a hearing, the Tariff Commission declined to recommend the increase. That is a further reason, if it be true——

Mr. SMOOT. But it is not true.

Mr. COPELAND. Perhaps it is not; but that is the advice I have.

Mr. BARKLEY. Mr. President, if the Senator from New York will yield to me, I will say that the Tariff Commission did make an investigation, but I understand their report has not been submitted to the President.

Mr. SMOOT. And it has not been made public, and there has been no statement from the Tariff Commission.

Mr. COPELAND. The Senator is asking for an increase when the Tariff Commission has made an investigation of the very matter but has not submitted any report.

Mr. SMOOT. That would not make a particle of difference. If they should make a report, it would be under the present law, and the President could make the rate 30 per cent instead of 25, or he could decrease the rate. The report, however, has not been submitted.

Mr. COPELAND. Is it not a fact, however, that if there is an increase the great packing concerns are the ones that are going to benefit by it?

Mr. SMOOT. No; the great packing concerns are not going to benefit any more than are the other concerns that are making glue. I have heard the Senator state upon the floor of the Senate that wherever 80 per cent of the domestic consumption of a product was imported that product ought to be protected. I agree with the Senator in that, and that is the only reason why the committee have recommended the rate now in the bill.

Mr. COPELAND. I have had to make so many statements during the last couple of weeks when I was supporting measures recommended by the Senator from Utah that I am rather glad to be on the other side of the question for a change. Here is an article that goes into almost everything that we use, into the making of shoes, into the making of desks and chairs and matches, in the repair of agricultural implements and in their construction. Glue is a thing that is as commonly used in the manufacturing field as is bread in the culinary department of life, and for my part I am quite unwilling to vote for any increase on this particular item.

Mr. SMOOT. I think, Mr. President, of all the items in this bill on which an increased rate has been sought the facts as to the imports in this case justify the small increase which is proposed. With that statement I am perfectly willing that the Senate should take a vote.

The PRESIDING OFFICER (Mr. ODDIE in the chair). The question is on agreeing to the amendment proposed by the Senator from New York [Mr. COPELAND], which the clerk will state.

The LEGISLATIVE CLERK. In paragraph 42, on page 22, line 8, it is proposed to strike out "25" and insert "20," so as to read:

Gelatin, glue, glue size, and fish glue, not specially provided for, valued at less than 40 cents per pound, 20 per cent ad valorem.

The PRESIDING OFFICER. The question is on agreeing to the amendment. [Putting the question.] The ayes seem to have it.

Mr. SMOOT. I ask for the yeas and nays.

Mr. WATSON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum being suggested, the clerk will call the roll.

The legislative clerk proceeded to call the roll, and was interrupted by—

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. BARKLEY. Is it in order to ask unanimous consent to vacate the proceedings under the roll call and have a division on this question? So far as I am concerned, I do not care to have taken the time necessary to call the roll.

The PRESIDING OFFICER. That could only be done by unanimous consent.

Mr. BARKLEY. I ask unanimous consent that the proceedings under the roll call be dispensed with, and that we may vote on the question by a division.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The question is on agreeing to the amendment proposed by the Senator from New York, on which a division is requested. Those in favor of the amendment will stand until counted.

Mr. KEAN. Mr. President, I should like to have the amendment read.

The PRESIDING OFFICER. The amendment will again be stated.

The amendment was again stated.

The PRESIDING OFFICER. The question is on agreeing to the amendment. Those in favor of the amendment will stand and remain standing until counted.

Mr. SHORTRIDGE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SHORTRIDGE. What is the amendment and what is the proposition on which we are about to vote?

The PRESIDING OFFICER. The absence of a quorum was suggested, and the clerk was proceeding to call the roll, when, by unanimous consent, the calling of the roll was dispensed with, and on the question of the adoption of the amendment a division was asked.

Mr. WATSON. I demand the yeas and nays.

The PRESIDING OFFICER. The yeas and nays are demanded. Is there a second?

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. GLENN (when his name was called). Making the same announcement as on the last vote with regard to my pair and its transfer, I vote "nay."

Mr. BINGHAM (when Mr. WALCOTT's name was called). Making the same announcement as on previous votes with respect to the absence of my colleague [Mr. WALCOTT] and his pair, I wish to announce that if he were present he would vote "nay" on this question.

Mr. WHEELER (when his name was called). I transfer my pair with the junior Senator from Connecticut [Mr. WALCOTT] to the senior Senator from Minnesota [Mr. SHIPSTEAD] and vote "yea."

Mr. BLEASE. I have a pair with the Senator from Maine [Mr. GOULD]. I transfer that pair to the Senator from Iowa [Mr. STECK] and vote "yea."

Mr. NYE. Upon this question my colleague the senior Senator from North Dakota [Mr. FRAZIER] has a pair with the senior Senator from Delaware [Mr. HASTINGS]. Were they present and voting, my colleague would vote "yea," and the Senator from Delaware would vote "nay."

Mr. SCHALL. Mr. President, my colleague [Mr. SHIPSTEAD] is unavoidably absent. Were he present, he would vote "yea."

Mr. FESS. I desire to announce the following general pairs:

The senior Senator from Pennsylvania [Mr. REED] with the senior Senator from Arkansas [Mr. ROBINSON];

The junior Senator from Vermont [Mr. DALE] with the junior Senator from Massachusetts [Mr. WALSH];

The junior Senator from New Jersey [Mr. BAIRD] with the senior Senator from Nevada [Mr. PITTMAN];

The junior Senator from Missouri [Mr. PATTERSON] with the junior Senator from Washington [Mr. DILL]; and

The junior Senator from Colorado [Mr. WATERMAN] with the junior Senator from Utah [Mr. KING].

The result was announced—yeas 40, nays 38, as follows:

YEAS—40

Ashurst	Connally	Howell	Sheppard
Barkley	Copeland	Kean	Simmons
Black	Cutting	La Follette	Smith
Blaine	Fletcher	McKellar	Stephens
Blease	George	McMaster	Swanson
Borah	Glass	Norbeck	Thomas, Okla.
Bratton	Harris	Norris	Tydings
Brock	Harrison	Nye	Wagner
Brookhart	Hawes	Overman	Walsh, Mont.
Caraway	Heflin	Schall	Wheeler

NAYS—38

Allen	Goldsborough	McNary	Smoot
Bingham	Greene	Metcalf	Steiwer
Broussard	Hale	Moses	Sullivan
Capper	Hatfield	Oddie	Thomas, Idaho
Couzens	Hebert	Phipps	Townsend
Deneen	Johnson	Pine	Trammell
Fess	Jones	Ransdell	Vandenberg
Gillett	Kendrick	Robinson, Ind.	Watson
Glenn	Keyes	Robsion, Ky.	
Goff	McCulloch	Shortridge	

NOT VOTING—18

Baird	Grundy	Pittman	Walcott
Dale	Hastings	Reed	Walsh, Mass.
Dill	Hayden	Robinson, Ark.	Waterman
Frazier	King	Shipstead	
Gould	Patterson	Steck	

So Mr. COPELAND's amendment was agreed to.

The VICE PRESIDENT. The clerk will state the next amendment.

The LEGISLATIVE CLERK. On page 22, line 9, it is proposed to strike out "2" and insert "1½," so as to read:

And 1½ cents per pound.

Mr. COPELAND. This restores the rate to the present law.

Mr. BARKLEY. Mr. President, this amendment is simply in harmony with one we have already adopted; and the one in the next line is the same thing. I do not care to discuss them.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE PRESIDENT. The next amendment will be stated.

The LEGISLATIVE CLERK. On page 22, line 10, it is proposed to strike out "25" and insert "20," so as to read:

Twenty per cent ad valorem.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BARKLEY. Mr. President, the next amendment I have to offer is in paragraph 50.

Mr. LA FOLLETTE. Mr. President, there are several amendments in paragraphs which have been passed over about which I should like to make some inquiry. If the Senator desires to offer that amendment, however, I will wait.

Mr. SMOOT. I suggest that the Senator from Kentucky get through with his amendments.

Mr. BARKLEY. On page 23, line 13, I move to strike out "7" and insert "3½." That is on magnesia. The rate on oxide or calcined magnesia has been increased from 3½ to 7 cents per pound. We produced, in 1919, 9,000,000 pounds. In 1925 we produced 11,100,000 pounds. The imports in 1928 were 301,000 pounds.

Inasmuch as this is used as a medicine, and is a commodity commonly known throughout the country, and the imports are very small compared to the domestic production, which is increasing, I think this increase of 100 per cent in the tariff rate is not justified.

Mr. SMOOT. Mr. President, I think the Senator's figures were wrong. If he will look at the report of the Tariff Commission, he will see that he quoted the figures for all kinds of magnesia.

Mr. BARKLEY. No; I quoted the figures for calcined or oxidized magnesia only.

Mr. SMOOT. In the figures that the Senator has quoted the calcined rock is included with the true calcined magnesia, as collected by the Bureau of the Census. If the Senator will read it, he will find out that that is the case.

Mr. BARKLEY. In this connection, I will state that I had drawn this amendment originally for a restoration to the present rate of 3½ cents per pound. Later, I concluded to offer it for 5 cents instead of 7 cents; and I will modify the amendment accordingly. I hope the Senator from Utah will accept that.

Mr. SMOOT. Mr. President, I simply want to say that the domestic production of magnesia oxide or calcined magnesia is

about 300,000 pounds annually. I desire to put that statement in the RECORD now.

Mr. BARKLEY. Does the Senator mean the domestic production or the importation?

Mr. SMOOT. The domestic production of magnesia oxide or calcined magnesia is about 300,000 pounds annually. In 1928 the imports of this material were as great as the production, 100 per cent and a little over. If the Senator changes his amendment to 5 cents, however, I am inclined not to oppose it.

Mr. HARRISON. Mr. President, the increase that the committee made was 100 per cent, increasing the rate from 3½ cents to 7 cents. The Senator from Kentucky has modified his amendment so as to make it 5 cents. Will not the Senator from Utah let that amendment be adopted and go to conference?

Mr. SMOOT. I have no objection to letting it go to conference.

Mr. BARKLEY. I will state that, on page 246 of the Tariff Commission's report, under the heading of "Magnesium oxide or calcined magnesia," which is affected by my amendment, the domestic production in 1925 is stated to be over 11,000,000 pounds, compared to an importation of about 300,000 pounds.

Mr. SMOOT. That includes the calcined rock and all.

Mr. BARKLEY. It does not say so.

Mr. SMOOT. But I say to the Senator that it does. I inquired about it at the time we had it up for consideration before, and I have also inquired to-day, and that is what I am told; but that makes no difference as to the rate now.

Mr. BARKLEY. The Senator is going to accept this amendment, I believe?

Mr. SMOOT. Let it go to conference.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Kentucky, as modified.

The amendment, as modified, was agreed to.

Mr. LA FOLLETTE. Mr. President, I should like to ask the Senator to refer to page 9, paragraph 26.

The existing law upon diethylbarbituric acid and salts and compounds thereof is 25 per cent ad valorem. Under presidential proclamation that was changed to 25 per cent ad valorem on the American selling price. The committee has provided a specific duty of $2.50 a pound. I have not been able to find any domestic-production statistics. The Senator knows that from diethylbarbituric acid and its salts are produced certain medicinals, among them those best known by the trade names of veronal and barbital, which are widely used as sedatives.

I note that the Summary of Tariff Information gives the imports in 1928 at 23,278 pounds, valued at $197,829; but I have been unable to find any production statistics. In view of the tremendous increase over the existing rate, I should like to ask the Senator upon what figures and facts the committee took that action.

Mr. SMOOT. The domestic cost of production was in excess of $4 per pound. That was the evidence before the Finance Committee, and also what was shown at the time the Tariff Commission made the investigation as to the rates then existing. The German price varied from $1.35 to $1.40 per pound in 1928. The rate of duty of $2.50 per pound on the acid and salts and compounds thereof is a slight increase over the rate proclaimed by the President—just a slight increase—but still is insufficient to equalize the difference in domestic and foreign cost of production.

Mr. LA FOLLETTE. Is that from the report of the Tariff Commission?

Mr. SMOOT. That is from the report of the Tariff Commission.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield to the Senator from New York.

Mr. COPELAND. I find that in 1928 the imports of barbital had increased to 27,278 pounds, and the physicians of the country made an appeal to the Abbott Laboratories, of North Chicago, Ill., to manufacture this product; so during the war they did that, and since. I am quite clear that this rate should be sustained.

Mr. SMOOT. Mr. President, I want to say to the Senator that the pre-war price of barbital was $20 and $21 per pound, and under the bill of 1922 the manufacture in this country began, and now the price is down to about $4 from $21 a pound.

Mr. LA FOLLETTE. Of course that is true of many of the war-time prices.

Mr. SMOOT. Yes; but that was prior to the war. The price then was up to $20 and $21 a pound. Later the manufacture in this country was started, as the Senator from New York says, in North Chicago and one or two other places. We began to make it in this country, and now there is local competition, and the price is down to $4.

Mr. LA FOLLETTE. I was prompted to ask the question because there did not seem to be any domestic-production statistics available, and the rate appeared to me to be an increase.

Mr. COPELAND. Mr. President, I suggest that the letter and statement from the Abbott Laboratories regarding the manufacture of barbital be included in the RECORD, so that the RECORD will show the facts.

The PRESIDING OFFICER (Mr. FESS in the chair). Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

NEW YORK, *January 22, 1930.*

Hon. ROYAL S. COPELAND,
United States Senate, Washington, D. C.

MY DEAR SENATOR: We will greatly appreciate any assistance you can give in sustaining the rate of $2.50 a pound on barbital (par. 26) in the pending tariff bill. This rate is the same as that which passed the House and is an increase of 46 cents over the present rate of duty. This increase will have no effect whatever on the price of the drug to the ultimate consumer, since the latter buys it in 5-grain tablets at the rate of $70 a pound. You, of course, know the great value of barbital in the treatment of insomnia and, I feel sure, desire the production of a reasonable amount of the drug in this country.

Before the war barbital was manufactured in Europe exclusively. It was sold in this country at the rate of $21.50 a pound. When the supply of this drug was cut off, the Abbott Laboratories of North Chicago, Ill., began its manufacture at the request of many physicians and offered it for sale at the rate of $8.50 to $10 a pound. In 1922 the production of barbital by the Abbott Laboratories had reached 16,000 pounds a year. In the year just passed the production of barbital by this company dropped to less than 2,000 pounds, due to the large imports of it at prices with which this company was unable to compete.

The Abbott Laboratories maintains a large branch office in New York City for the sale and distribution of its products. We hope that you will give us the assistance we have asked for.

Yours very truly,

ABBOTT LABORATORIES,
H. B. SHATTUCK,
Vice President.

BRIEF STATEMENT ON BARBITAL (PAR. 26 OF PENDING TARIFF BILL) BY THE ABBOTT LABORATORIES, NORTH CHICAGO, ILL.

Barbital (par. 26) is perhaps the most widely used hypnotic prescribed for insomnia in this country. The annual consumption of this drug is approximately 30,000 pounds. It is synthetic and is not of coal-tar origin. It is usually sold in 5-grain tablets. Since there are 7,000 grains to the pound the importance of this drug in the treatment of insomnia and allied ailments is apparent.

Before the war the Germans sold barbital to this country at the rate of $21.50 a pound. At the request of physicians the Abbott Laboratories began manufacture of the drug, with the result that the price was reduced to from $8.50 to $10 a pound. The present tariff act placed a duty of 25 per cent ad valorem on foreign valuation on barbital. This was later changed by the President so that the duty was assessed on domestic wholesale selling price. The Tariff Commission, after its investigation, stated in its report that this increase, which was the limit under the flexible provisions of the present act, would not equalize costs of production here and abroad. A higher rate was necessary to protect the industry.

In 1922, the year the present act was passed, the Abbott Laboratories of North Chicago, Ill., produced 18,000 pounds of barbital.

In 1928 this production had decreased to 2,000 pounds. In 1928 the imports of barbital had increased to 27,278 pounds. The present rate of duty (25 per cent on the American selling price) amounts to about $2.12 a pound. The proposed rate of $2.50 a pound is an increase of only 46 cents. This will not affect the ultimate consumer because barbital is sold in Washington drug stores at the rate of 30 cents for six 5-grain tablets, or $70 a pound.

The domestic cost of producing barbital is about $4.20 a pound. Foreign costs are so low that the drug is being laid down in this country, duty excluded, for $1.35 a pound. The rate of $2.50 a pound will not equalize the cost of production here and abroad. The only thing it will do will be to bring them closer together. To adequately protect the production of barbital in this country the rate should be not less than $3 a pound. The productive capacity of American manufacturers of barbital in 1923 was 36,000 pounds a year. This drug is also sold under the trade name Veronal.

The above facts are taken from the report of the Tariff Commission, which is a part of the House hearing on this commodity, and from the brief filed with the Senate Finance Committee by the Abbott Laboratories. The only exception to this is the retail selling price, which was obtained on inquiry from one of the Liggett drug stores in Washington.

Because of its great importance in the treatment of such diseases as insomnia it is regarded as important that the American manufacture should be continued and increased.

Mr. LA FOLLETTE. Mr. President, on page 17, paragraph 30, I move to strike out in line 16 the figures "35" and to insert in lieu thereof the figures "30," so that the rate would be 30 cents a pound, so as to read:

PAR. 30. Collodion and other liquid solutions of pyroxylin, of other cellulose esters or ethers, or of cellulose, 30 cents per pound.

The duty in the existing law upon these cellulose esters is 35 cents a pound, so that the amendment which I propose would result in a reduction of 5 cents per pound in existing law.

I am prompted to offer this amendment because the statement furnished the Finance Committee by the Tariff Commission shows that in 1927 the domestic production of cellulose esters was $45,504,358, while the imports in 1927 amounted to $425,439. Therefore the ratio of imports to production was only ninety-three one-hundredths of 1 per cent by value.

It seems apparent, according to the figures that are available, that the duty of 35 cents per pound specific upon the cellulose esters has been practically a prohibitive duty, and it would seem that the reduction in duty would be justified at least for the purpose of taking the item to conference for further consideration.

I will ask the Senator from Utah if he is disposed to accept the amendment.

Mr. SMOOT. Mr. President, I have not all of the information here I would like to have.

Mr. COPELAND. What is the suggestion of the Senator from Wisconsin?

Mr. LA FOLLETTE. On page 17, line 16, to strike out "35" and to insert in lieu thereof "30."

If the Senator is disposed to accept the amendment, I do not desire to take any further time to debate the question.

Mr. SMOOT. I have no information here other than the figures as to the production, the importations and the exportations. I have no objection to letting the amendment go to conference, and we can look it up further.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. LA FOLLETTE. Mr. President, on page 19, line 10, I propose to strike out the figures "35" and insert in lieu thereof the figures "30." The information furnished in the table presented to the Finance Committee by the Tariff Commission indicates that the domestic production of vulcanized fiber for 1927 was $23,817,616, while the imports in 1927 amounted to $1,249, and the exports totaled $1,455,175. The ratio of imports and exports to consumption of vulcanized fiber in 1927 was, respectively, one-tenth of 1 per cent and 6.1 per cent.

Mr. SMOOT. Mr. President, I call the Senator's attention to the fact that these articles are generally classed under the paper schedule. I think that is what has misled the Senator as to importations. Therefore we can not tell what the real importations have been if we refer only to paragraph 32.

Mr. LA FOLLETTE. Can the Senator give the figures as to the total importations?

Mr. SMOOT. No. I asked about that when the question arose in the committee, and they are classified as certain papers, and they have never been separated yet, so we can not say what the importations have been.

Mr. LA FOLLETTE. All I am proposing is a reduction in the ad valorem rate from 35 to 30 per cent, and I ask the Senator to accept that and let it go to conference.

Mr. SMOOT. This is quite different from the situation presented in the consideration of the previous paragraph. I felt justified in accepting the Senator's amendment as to that. I thought that perhaps the position taken by the Senator as to that was correct, but I doubt the wisdom of this amendment, and I hope the Senator will not press it. If I had the exact figures, I would be glad to give them; but the items have not been kept separated. We do know that the great bulk of these articles go in under the classification of the paper schedule. I think there are other items of more importance than this, and I would not like to accept this amendment.

Mr. LA FOLLETTE. Mr. President, in the summary of tariff information on vulcanized fiber the statement is made that imports of vulcanized or hard fiber have been small and the exports of vulcanized fiber, strips, rods, and tubes go to the United Kingdom, France, and Canada. Exports of vulcanized fiber go principally to Canada. There is no statement concerning the fact that these statistics should be qualified or considered in any other manner than that in which they are furnished by the commission.

Mr. SMOOT. But the report also shows the statement I made. I think it would be dangerous to accept this amendment. I would at least like to have it go over for the day, and if the Senator can get any further information we can take it up later. I do not feel justified in accepting the amendment this evening.

Mr. LA FOLLETTE. It seems to me that in a case of this kind, where such facts as we have show that there is an exportation of this commodity and that imports have been nil, a case is made for a slight reduction in the duty.

Mr. SMOOT. If the Senator wants to vote, I am willing.

Mr. LA FOLLETTE. I am ready for a vote.

Mr. SIMMONS. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. BLEASE (when his name was called). I have a pair with the junior Senator from Maine [Mr. GOULD] and withhold my vote.

Mr. SIMMONS (when his name was called). I have a general pair with the senior Senator from Massachusetts [Mr. GILLETT]. I transfer that pair to the junior Senator from Oklahoma [Mr. THOMAS] and vote "yea."

Mr. WHEELER (when his name was called). I have a general pair with the junior Senator from Connecticut [Mr. WALCOTT]. I transfer that pair to the senior Senator from Minnesota [Mr. SHIPSTEAD] and vote "yea."

The roll call having been concluded,

Mr. NYE. My colleague the senior Senator from North Dakota [Mr. FRAZIER] is paired on this question with the senior Senator from Delaware [Mr. HASTINGS]. Were they present and voting, my colleague would vote "yea," and the Senator from Delaware would vote "nay."

Mr. BINGHAM. I make the same announcement as before with regard to my colleague [Mr. WALCOTT]. If he were present and not paired, he would vote "nay."

Mr. SCHALL. I desire to announce that my colleague [Mr. SHIPSTEAD] is unavoidably detained.

The PRESIDING OFFICER (Mr. FESS) announced the following pairs:

Mr. DALE with Mr. WALSH of Massachusetts; Mr. BAIRD with Mr. PITTMAN; Mr. GOULD with Mr. BLEASE; Mr. PHIPPS with Mr. OVERMAN; Mr. WATERMAN with Mr. KING; Mr. GRUNDY with Mr. FLETCHER; Mr. GREENE with Mr. CARAWAY.

The result was announced—yeas 35, nays 33, as follows:

YEAS—35

Barkley	Cutting	Johnson	Simmons
Black	Dill	La Follette	Smith
Blaine	George	McKellar	Swanson
Borah	Glass	McMaster	Trammell
Bratton	Harris	Norbeck	Tydings
Brock	Harrison	Norris	Wagner
Brookhart	Hawes	Nye	Walsh, Mont.
Connally	Heflin	Schall	Wheeler
Copeland	Howell	Sheppard	

NAYS—33

Allen	Hale	Metcalf	Steiwer
Bingham	Hatfield	Moses	Sullivan
Broussard	Hebert	Oddie	Thomas, Idaho
Capper	Jones	Patterson	Townsend
Couzens	Kean	Pine	Vandenberg
Deneen	Kendrick	Robinson, Ind.	Watson
Fess	Keyes	Robsion, Ky.	
Goff	McCulloch	Shortridge	
Goldsborough	McNary	Smoot	

NOT VOTING—28

Ashurst	Gillett	King	Shipstead
Baird	Glenn	Overman	Steck
Blease	Gould	Phipps	Stephens
Caraway	Greene	Pittman	Thomas, Okla.
Dale	Grundy	Ransdell	Walcott
Fletcher	Hastings	Reed	Walsh, Mass.
Frazier	Hayden	Robinson, Ark.	Waterman

So Mr. LA FOLLETTE's amendment was agreed to.

Mr. BLAINE. Mr. President, I want to call the attention of the chairman of the Finance Committee to paragraph 42—the glue paragraph—and particularly I call his attention to the last three lines with reference to casein glue, which under the paragraph bears an ad valorem duty of 25 per cent. I call attention to the fact that the Senate has fixed a specific duty of 5½ cents a pound on casein. I understand that 80 per cent of the casein glue is made out of casein, so that a 25 per cent ad valorem protective rate on casein glue is less than the specific duty on casein.

Mr. SMOOT. The Senator is correct, and when we reach that paragraph I intend to call attention to it.

Mr. BLAINE. I thought we had already passed it.

Mr. SMOOT. We did pass it in the first place, and it escaped my attention at that time. If the Senator will let it go over until to-morrow morning, we will take it up then.

Mr. BLAINE. I want to suggest, in view of what the chairman of the committee has said, that the present rate fixed on casein would mean, if translated, a specific duty of 4.4 cents a pound on glue, while the actual rate as contained in paragraph 42 is only 3.92 cents a pound. Therefore the casein-glue manufacturers are almost one-half a cent a pound worse off than

under free trade; so that the 25 per cent ad valorem duty on casein glue will mean that casein will be shipped into this country in the form of glue instead of in the form of casein.

Mr. SMOOT. Has the Senator an amendment to offer to cover the point?

Mr. BLAINE. I think that a duty of at least 30 per cent ad valorem ought to be granted. That would leave the compensatory duty of 4.4 cents a pound to make up for the duty on casein, and a protective duty of only 0.31 of 1 cent per pound on casein glue.

Mr. SMOOT. That is about the rate as I figure it. The increase of 5 per cent would make it correct.

Mr. BLAINE. At least it would cover the increased rate on casein.

Mr. SMOOT. If the Senator has no objection, I will ask unanimous consent that we disagree to the committee amendment on casein glue.

The PRESIDING OFFICER. The Chair can not hear the Senator from Utah.

Mr. SMOOT. On page 22, line 12, I ask that "casein glue" be stricken out and that following the words "ad valorem" in line 14, we insert the words "casein glue, 30 per cent ad valorem."

The PRESIDING OFFICER. May the Chair ask whether or not the amendment relating to "casein glue" has not already been agreed to?

Mr. SMOOT. The committee amendment has been disagreed to and it leaves the House text. In line 11 the casein glue amendment was disagreed to. That being the case I will have to ask unanimous consent that we strike out the words "casein glue" in line 11 and after the words "ad valorem," in line 14, insert the words "casein glue, 30 per cent ad valorem."

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears none. Without objection the amendment offered by the Senator from Utah is agreed to.

Mr. KEAN. Mr. President, I offer the following amendment.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 23, line 20, strike out lines 20, 21, and 22 and insert in lieu thereof the following:

PAR. 52. Menthol, 30 cents per pound; camphor, crude or natural, 1 cent per pound; refined or synthetic, 6 cents per pound.

Mr. SMOOT. Mr. President, will the Senator let the amendment go over until to-morrow morning?

Mr. KEAN. Certainly.

COMMENTS ON REPORT OF LAW ENFORCEMENT COMMISSION

Mr. WAGNER. Mr. President, I desire to state that to-morrow morning, as soon as I can secure recognition, I desire to submit some observations on the report of the Law Enforcement Commission, particularly on that portion of it which deals with the question of the right of trial by jury.

RECESS

Mr. SMOOT. I move that the Senate take a recess until 11 o'clock to-morrow morning.

The motion was agreed to; and the Senate (at 5 o'clock and 10 minutes p. m.) took a recess until to-morrow, Thursday, February 6, 1930, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES

WEDNESDAY, *February 5, 1930*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, in our duties make the path plain to our vision. Thou who givest wisdom to all who ask, having loved Thine own, Thou dost love them unto the end. Coming to Thee, we would discern what we should be. We would take no ignoble conception of life, character, or duty. O teach us the way, and help us to walk in those virtues which shall be glorious through all eternity. Forgive our delays and imperfections. Again, our Father, we pause; we feel the shadows of the great adventure; the Nation's head bows—that most lovable man, gentle jurist, and great statesman is sick, we fear, unto death. In victory and defeat his fellow countrymen take him to the altar of their hearts; he abides in the sanctuary of their breasts. O how he abounded in riches of soul—even our night song praises the Lord as we feel the glow of his wonderful character. O Father of sympathy and consolation, be about yonder hearthstone as it is overcast by heavy grief. In the anguish of her distress may she discern Thee. Let not sorrow strike the shield of her faith. Be with her in quietness and in confidence, fearing no to-morrow, for Thou art infinite love. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 6621. An act to extend the times for commencing and completing the construction of a bridge across the water between the mainland at or near Cedar Point and Dauphin Island, Ala.; and

H. R. 7642. An act to extend the time for completing the construction of the approaches of the municipal bridge across the Mississippi River at St. Louis, Mo.

The message also announced that the Senate had passed a bill and concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 3371. An act to amend section 88 of the Judicial Code, as amended; and

S. Con. Res. 25. Concurrent resolution relating to numbering of sections and paragraphs of the tariff bill.

The message also announced that the Senate agrees to the amendment of the House to the joint resolution (S. J. Res. 98) entitled "Joint resolution to grant authority for the erection of a permanent building at the headquarters of the American National Red Cross, Washington, D. C."

The message also announced that the Senate agrees to the amendment of the House to the amendments of the Senate to the joint resolution (H. J. Res. 170) entitled "Joint resolution providing for a commission to study and review the policies of the United States in Haiti."

SEVENTY-FIFTH ANNIVERSARY OF THE YORKVILLE ENQUIRER

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to proceed for one minute.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. STEVENSON. Mr. Speaker, I take the floor to call attention to the fact that there is a county paper in South Carolina which has just celebrated its seventy-fifth birthday. It is a semiweekly, conducted by the same people since it was founded three-quarters of a century ago. The grandfather, the father, the son, and the grandson have been operating the paper and they are conducting it to-day with great force and with great influence for good in the community. It is in a town of 3,000 inhabitants and the paper has more subscribers than there are inhabitants in the town. I refer to the Yorkville Enquirer, and, Mr. Speaker, I ask unanimous consent to extend my remarks by inserting in the RECORD as a part of my remarks what Mr. Brisbane has recently written about this paper and its proprietors.

Mr. UNDERHILL. Mr. Speaker, I am sorry I have to object to the gentleman extending his remarks by inserting Mr. Brisbane's opinion of a newspaper published down in South Carolina. I think it has no national or general interest.

Mr. STEVENSON. Mr. Speaker, may I ask for one minute more?

The SPEAKER. The gentleman from South Carolina asks unanimous consent to proceed for one additional minute. Is there objection?

There was no objection.

Mr. STEVENSON (reading):

The Yorkville Enquirer noted the seventy-fifth anniversary of its founding on January 4, 1930. Four generations of the same family have been connected with the Enquirer since it was established by that name January 4, 1855.

That is probably a record for a single family remaining in the newspaper field with the same newspaper in the same town—a record not only for the United States but for all the world. Seventy-five years is a long time for a newspaper to exist. There are few of them in the United States. York, formerly Yorkville, founded about 1798, has had a newspaper since 1823. The Grist family has been connected with the publishing business here most of that time; to be exact, since 1832. In 1926, Arthur Brisbane wrote in the New York Evening Journal:

BRISBANE COMMENTS ON RECORD

"There were two generations of Bennetts; only one of Horace Greeley. Three generations of Joseph Medill's family have run the Chicago Tribune; the second generation of Butlers is running the Buffalo News; the fourth generation of the Grist family of Yorkville, S. C., is running the Yorkville Enquirer, that had for forerunner the Journal of the Times.